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Monetary Convention  
(1st: 1897: Indianapolis...

The history of the  
movement for the...

[Indianapolis]

[1897?]

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**At Indianapolis**

**JANUARY, 1897**

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THE HISTORY  
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AT  
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JANUARY 12th AND 13th, 1897  
AND THE  
REPORT  
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AT

INDIANAPOLIS

JANUARY 12th AND 13th, 1897

AND THE

REPORT

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# INDEX

	PAGE.
Adams, J. E., resolution offered by .....	59
Adjournment.....	70
"American, An," document by, submitted .....	58
Anderson, W. H., motion by .....	25
Ballinger, William, resolution offered by .....	59
Baur, William, document by, submitted .....	58
Bullit, J. C., remarks by .....	67
California Bankers' Ass'n, resolution of Executive Council of, offered.....	52
Call for Preliminary Conference .....	9, 11
Convention .....	13
Camp, E. C., remarks by .....	59, 68
Chadwick, C. N., resolution offered by .....	49
remarks by.....	49, 60
Claypool, E. F., paper by.....	48
Cobb, H. E., request by.....	60
Committee, Executive, report of.....	21
on Credentials, appointment of .....	25
report of .....	31
Permanent Organization, appointment of.....	24
report of .....	32
Resolutions, provision for selection of.....	32
list of .....	36
report of, submitted.....	64
adopted .....	70
Rules and Order of Business, appointment of.....	24
report of.....	32
Convention, call for.....	13
list of delegates to.....	15
account of proceedings of, first day, afternoon session.....	15
evening session .....	40
second day, morning session.....	57
afternoon session .....	64
Corcoran, A. J., president Jersey City Board of Trade, telegram from.....	57
Crawford, M. L., member of committee of escort.....	21
resolution offered by.....	54
Curtis, M. G., motion by.....	70
Delegates, list of, to the Preliminary Conference.....	14
Dessaure, G. R., resolution of, offered.....	15
Dodge, W. E., member of committee of escort .....	54
motion seconded by.....	21
remarks by.....	66
Dousman, H. F., resolution offered by.....	69
Executive Committee's report.....	46
Fairchild, ex-Secretary, address of .....	21
Ferris, R. B., document by, submitted .....	25
Foote, A. R., document by, submitted .....	58
Fowler, Hon. C. N., resolutions offered by .....	58
address of.....	54, 66
referred to committee on resolutions.....	60
amendment withdrawn by.....	64
remarks by.....	70
Golt, W. F. C., sergeant-at-arms, temporary.....	21
permanent.....	32
Gridley, E. C., document by, submitted .....	58

	PAGE.
Haines, Rev. Dr. M. L., invocation by .....	15
Hanna, H. H., remarks by, at Indianapolis Board of Trade .....	8
member of committee of escort .....	32
resolution offered by .....	50
chairman of Executive Committee, calls convention to order .....	15
Committee on Resolutions, submits report .....	64
motion by .....	66
Havens, B. F., resolution offered by .....	59
Indianapolis Board of Trade, special meeting of .....	8
resolution by, calling Preliminary Conference .....	19
Ingalls, M. E., remarks by .....	68
Irish, J. P., address of .....	29
resolution of Executive Council of California Bankers' Ass'n .....	52
offered by .....	52
paper of Frank Miller submitted by .....	70
amendment by .....	70
Jersey City Board of Trade, telegram from president of .....	57
Kelsey, P. G., resolution offered by .....	59
Levering, Eugene, resolution offered by .....	52
Little, W. C., plan and argument of .....	58
Lowry, R. J., member of committee of escort .....	32
resolution of G. R. Dessauze offered by .....	54
Magdeburg, F. H., resolution offered by .....	57
Manufacturers' Ass'n of the Northwest, resolution of Exec. Committee of .....	59
Martindale, E. B., motion by, in Indianapolis Board of Trade .....	10
motion by .....	24
member of committee of escort .....	24
request by .....	48
Miller Frank, paper of, submitted .....	52
W. H. H., addresses Preliminary Conference .....	13
Origin of the Movement, account of .....	8
Parsons, W. H., suggestion of .....	25
Patterson, C. Stuart, permanent chairman of the convention .....	32
address of .....	33
Peet, E. W., resolution offered by .....	50
Perry, A. J., resolution offered by .....	58
Preliminary Conference, resolution calling .....	10
letter inviting to .....	11
account of .....	13
issues call for convention .....	13
list of delegates to .....	14
Pringle, Eugene, resolution offered by .....	56
remarks by .....	56
Report by Executive Committee .....	21
Committee on Credentials .....	31
Permanent Organization .....	32
Resolutions submitted .....	64
Rules adopted .....	70
Resolution adopted by Indianapolis Board of Trade calling conference .....	31
offered by Adams, C. E. .....	59
Ballinger, William .....	59
Chadwick, C. N. .....	49
Crawford, M. L. .....	54
Downsman, H. F. .....	46
Fowler, C. N. .....	56, 66
Hanna, H. H. .....	50
Havens, B. F. .....	59
Irish, J. P. .....	52
Kelsey, P. G. .....	59
Levering, Eugene .....	52
Lowry, R. J. .....	54
Magdeburg, F. H. .....	57
Peet, E. W. .....	50
Perry, A. J. .....	58
Pringle, Eugene .....	56

	PAGE.
Resolution offered by Roots, F. T. ....	66
Scudder, S. D. ....	52
Smalley, E. V. ....	57
Smith, D. B. ....	56
Sprague, A. A. ....	56
Tanner, G. G. ....	50
Tiedeman, I. B. ....	52
Toy, J. F. ....	59
Trigg, W. R. ....	56
Wharton, Joseph .....	54
Wood, J. S. ....	53
Rhoades, John Harsen, address of .....	40
motion by .....	70
Robinson, C. W., suggestion of .....	28
Roots, F. T., resolution offered by .....	66
Royall, W. L., statement of, submitted .....	56
Scudder, S. D., resolution offered by .....	52
Smalley, E. V., motion by .....	25
resolution offered by .....	57
Smith, D. B., resolution offered by .....	58
paper submitted by .....	58
G. F., document by, submitted .....	59
J. W., secretary of preliminary conference .....	13
temporary secretary of the convention .....	21
Sprague, A. A., resolution offered by .....	56
Stanard, E. O., chairman of preliminary conference .....	13
temporary chairman of the convention .....	21
address of .....	22
sent to committee on resolutions .....	60
plan and argument of W. C. Little offered by .....	58
Strauss, Isadore, motion by .....	40
Tanner, G. G., resolution offered by .....	50
Tiedeman, I. B., resolution offered by .....	52
Toy, J. F., resolution offered by .....	59
Travers, S. V., statement of W. L. Royall submitted by .....	56
Trigg, W. R., resolution offered by .....	56
Van Slyke, N. B., document by, submitted .....	58
motion by .....	64
Vice-presidents, provision for selection of .....	32
list of .....	35
Walker, J. H., address of .....	37
remarks by .....	64, 68
Warrington, J. W., inquiry by .....	69
Washington Board of Trade, rooms and courtesies of, offered .....	70
Weare, F. B., member of committee of escort .....	21
Wharton, Joseph, resolution offered by .....	54
remarks by .....	52, 63
Williamson, H. C., motion by .....	37
Wilson, J. R., addresses Preliminary Conference .....	13
Winston, F. G., paper by, submitted .....	59
Wood, J. S., resolution offered by .....	53
remarks by .....	53
Woodward, S. W., offer of, to Executive Committee .....	70
Woolen, Evans, permanent secretary of the convention .....	32

ORGANIZATION  
OF THE  
MONETARY CONVENTION

---

Temporary Chairman, E. O. STANARD, St. Louis  
Permanent Chairman, C. STUART PATTERSON, Philadelphia  
Temporary Secretary, JACOB W. SMITH, Indianapolis  
Permanent Secretary, EVANS WOOLLEN, Indianapolis  
Temporary Sergeant-at-Arms, W. F. C. GOLT, Indianapolis  
Permanent Sergeant-at-Arms, W. F. C. GOLT, Indianapolis

EXECUTIVE COMMITTEE

CHARGED BY THE PRELIMINARY CONFERENCE WITH THE ARRANGEMENT FOR THE CONVENTION.

H. H. HANNA, Indianapolis, Chairman	
M. E. INGALLS, Cincinnati	E. V. SMALLEY, St. Paul
P. B. WEARE, Chicago	D. B. SMITH, Toledo
J. G. W. COWLES, Cleveland	J. C. ADAMS, Indianapolis
J. H. OUTHWAITE, Columbus	D. P. ERWIN, Indianapolis
W. H. ANDERSON, Grand Rapids	JOHN T. BRUSH, Indianapolis
A. E. WILLSON, Louisville	G. G. TANNER, Indianapolis
F. H. MAGDEBURG, Milwaukee	E. B. MARTINDAE, Indianapolis
T. B. WALKER, Minneapolis	LOUIS HOLLWEG, Indianapolis
E. O. STANARD, St. Louis	HERMAN LIEBER, Indianapolis

EXECUTIVE COMMITTEE

APPOINTED BY THE PERMANENT CHAIRMAN PURSUANT TO THE CONVENTION'S RESOLUTION.

H. H. HANNA, Indianapolis, Indiana, Chairman.	
M. L. CRAWFORD, Dallas, Texas.	H. H. KOHLISAAT, Chicago, Ill.
W. B. DEAN, St. Paul, Minn.	J. J. MITCHELL, Chicago, Ill.
J. W. FRIES, Salem, N. C.	A. E. ORR, New York, N. Y.
J. F. HANSON, Macon, Ga.	G. F. PEABODY, New York, N. Y.
C. C. HARRISON, Philadelphia, Pa.	T. C. POWER, Helena, Mont.
ROWLAND HAZARD, Peacedale, R. I.	E. O. STANARD, St. Louis, Mo.
J. P. IRISH, Oakland, Cal.	A. E. WILLSON, Louisville, Ky.



## ORIGIN OF THE MOVEMENT

At a special meeting of the Board of Governors of the Indianapolis Board of Trade, November 18, 1896, H. H. Hanna, being called for, spoke as follows:

"Having been requested by a number of business men of the city to present the subject of reform of the currency to the Board of Trade, I feel that I stand as a representative of the business men of this city, whose experience is, in a general way, the experience of the business men of the entire country. The business man of the country is aroused to the necessity of different methods of demand for right things in legislation.

"I stand to present to you the urgency and importance for an action on your part for which many thinking men of the country are now looking to you.

"The sentiment is abroad in the land, the business men are discussing and the press is urging currency reform. As yet, the ideas are only crude, there are as many plans as there are writers; but the agitation is continuous, and opinions are being framed that will soon take stubborn form and divide the people, and the politician will push them as important issues and the business men will suffer by the disturbance and depression that are sure to follow. To avoid the drifting of these sentiments into wrong channels, it is of vital importance that, by conservative measures, they be led by safe, strong hands very early into the right path. The west will not take up this cause; the east should not do so, and the central west, by reason of its importance as a factor in the commerce of the country and its geographical relation to the other sections in which financial views are considered more or less extreme, should act. For such a movement to emanate from Indiana would probably be more acceptable to all parts of the country than for it to emanate from any other state. No movement could or should succeed that is not based upon the broadest possible justice and intelligence, and in the entire interest of the whole people.

"Such investigation and framing should only be entrusted to those who are great enough to rise above all party relation and prejudice, to discard all former ideas when confronted with better methods, and fairly and honestly deal with the great question for the general good and for defense against the instability of values, which has caused such immeasurable losses to the people

(8)

of this country within the few years just past. The business man is the victim of all such agitation, and I stand in his name to protest with all possible emphasis against further risk by delay, lest the opportunity slip. President Cleveland very ably urges some action in his letter read at the annual dinner of the New York Chamber of Commerce last night. Again I say something will be done very soon and it is just as likely to be wrong as right in the early or superficial discussion, and I present to you for action to-night a plan that can not do harm and should lead up to stable things in commerce, and relief from the racking strains that the business man is periodically subjected to by reason of the agitator's continuous desire to change our financial system. I am thoroughly aroused to the correctness of the position and the vital importance of prompt or immediate action and if you can agree with me then the duty is plain, and I beg of you to forestall the menace of early superficial action by directing the minds of the people to a broader view of a great subject, by suggesting steps that will surely put into good, if not perfect, form the financial methods of the country.

"To this end, I ask that you, as the representatives of the active business men of the whole country, act at once in the following manner: I ask you to appoint a committee with instructions to prepare a letter of address to the more important boards of trade in the states known as the central west, to wit: the boards of trade in Louisville, Cincinnati, Columbus, Cleveland, Toledo, Detroit, Chicago, Milwaukee, St. Paul, Minneapolis, Des Moines, Kansas City, St. Louis, Omaha, Peoria, and Grand Rapids, requesting that the controlling boards of each of such boards of trade send delegations of not exceeding three members, the same being non-partisan in politics, to a conference to be held in Indianapolis, say Tuesday, December 1, at 11 o'clock A. M., for the purpose of considering the propriety of uniting in a call for a general or national convention of representatives of boards of trade and other commercial bodies, which shall in turn consider the propriety of organizing a representative commission of able, conservative, trustworthy men to thoroughly study, canvass, and consider without limit or instructions, all conditions and all currency systems, the strength and weakness of our own as well as the valuable features of all others, for the purpose of presenting to congress for action these valuable features united with such as may be of special importance for our special requirements, with the general approval of the boards of trade and commercial bodies of the country.

"To continue the argument, it is fair to believe that such a carefully chosen commission will produce acceptable results to the general public. It is reasonable to believe that the call for a general convention being made in the name of the seventeen boards of trade mentioned will command the respect necessary

for recognition, attendance and participation in the general convention, and a commission that has behind it the united approval of the commercial bodies and boards of trade of the country will be recognized and listened to by Congress. In other words the manner of call and action is made for the purpose of not only offering the well digested plan of men able to deal with such matters, but to reinforce the demand by the support and influence of men who are not asking legislation for political purposes but for the general good of the whole people. If all this is favorably received by you, then preliminary steps can not be too speedily taken in order to forestall the confusion incident to crudely conceived opinions that can not be otherwise than harmful. Perfect results of commissions are perhaps not possible but when the motive behind them is lofty, and above personal or selfish aims of the few, they commonly result better than other ways. When the Venezuelan Commission was established upon high principles of right in search for the truth upon which to base the final demand for justice, the fair and honorable method commanded the respect of our own people first, and the public excitement was relieved by confidence in a wise step, and it is evident that Great Britain was alive to the exalted spirit and dignified determination on the part of our government for the right, and there is but little doubt that the concession to arbitration in which the Monroe Doctrine was fully respected was brought about to some extent by the idea and work of this commission. So, too, our own people will be influenced more or less to patience and confidence in the outcome of such an effort as is proposed. The procedure will require much time at best and should be begun at once."

Following Mr. Hanna's remarks, the following resolutions were adopted on motion of E. B. Martindale:

"Resolved, By the Board of Trade of the City of Indianapolis, that the boards of trade of the cities of Chicago, St. Louis, Cincinnati, Louisville, Cleveland, Columbus, Toledo, Kansas City, Detroit, Milwaukee, St. Paul, Des Moines, Minneapolis, Grand Rapids, Peoria and Omaha be, and they are invited to send three delegates each to a preliminary conference, to be held in the city of Indianapolis, on the first day of December, 1896, for the purpose of considering the advisability of calling a larger conference or convention, composed of delegates from the boards of trade and commercial organizations of the cities of the United States, to consider the propriety of creating a non-partisan commission, to which shall be assigned the duty of formulating a plan for the reform of our currency system, to be reported to a subsequent meeting of the conference or convention.

"Resolved, That the president be authorized to appoint three delegates to the said conference.

"Resolved, That the Commercial Club of the city of Indianapolis be also invited to send three delegates to the conference to be held December 1, 1896.

"Resolved, That the Committee on Arrangements, with a similar committee to be appointed by the Commercial Club, shall have charge of the arrangements for the conference to be held December 1, and the proper entertainment of the attending delegates."

The foregoing resolutions were sent to the boards of trade of the cities named, accompanied by the following letter:

"To the Board of Trade of the City of ———"

"The Board of Trade of the City of Indianapolis, as indicated by the enclosed resolutions adopted formally on the 18th day of November, 1896, requests your honorable body to send not to exceed three delegates to a conference to be held at the city of Indianapolis, on the first day of December, 1896, beginning at 11 o'clock A. M.

"In behalf of the policy and purpose outlined by these resolutions, permit us to say that it is believed very earnestly that a non-partisan committee or commission composed of experts judiciously selected by a representative conference of business men should be chosen at an early day; and that to this commission should be assigned the duty of preparing a plan which can be embodied in such legislation as will place our monetary system on a permanently sound basis.

"The present grave juncture presents an opportune occasion to the business men of the country to intervene in a business matter, and it is their duty as well as they can to aid in the solution of a matter which so intimately concerns the stability of business.

"The commission to be ultimately selected must be of such attainments and character as not only to allay all suspicion of any influence from class or sectional interest, but it must be of such fitness as to inspire the confidence in the mind of the fair-minded citizen of the republic that its work will be done for the permanent welfare of the whole nation.

"We have great confidence in the patriotism of the masses of the American people, and believe that they will recognize the wisdom of looking to a commission of the character above described for the best solution of the questions involved, and that the people will await the results of the committee's labor before committing themselves to any particular plan or scheme hastily or immaturely devised.

"In view of the grave character of the situation which confronts us, and the great importance of the work to be achieved by the committee to be appointed, it is obvious that each commercial body, in choosing its representatives to the proposed

conference, should nominate men whose attainments, experience and character will satisfy the demands of the occasion.

"Please notify by telegraph the undersigned immediately upon the choice of your delegates.

"Yours respectfully,

"J. C. ADAMS, President.

"Attest: JACOB W. SMITH, Secretary."

## THE PRELIMINARY CONFERENCE

The preliminary conference organized by the selection of E. O. Stanard, St. Louis, chairman, and Jacob W. Smith, Indianapolis, secretary. After addresses by W. H. H. Miller and John R. Wilson, both of Indianapolis, and protracted discussion, it issued the following "call for a monetary convention of business men":

"The representatives of the Board of Trade, of the Chamber of Commerce and similar commercial bodies of the cities of Chicago, St. Louis, Cincinnati, Milwaukee, Minneapolis, St. Paul, Louisville, Columbus, Cleveland, Toledo, Grand Rapids and Indianapolis, in conference assembled at the city of Indianapolis, on the 1st day of December, 1896, after due deliberation, do hereby call a non-partisan convention to meet at the city of Indianapolis, on the 12th day of January, 1897, to be composed of representative business men, chosen from boards of trade, chambers of commerce, commercial clubs or other similar commercial bodies, in cities of eight thousand or more inhabitants, according to the census of 1890, the basis of representation to be tabulated and in accordance with the population of said cities, for the purpose of considering and suggesting such legislation as may, in their judgment, be necessary to place the currency system of the country upon a sound and permanent basis. In behalf of this call, the conference submits that the fact that necessity for such legislation exists is generally conceded by business men.

"It is the right and the duty of the business men of the nation, in a matter of such vital business concern, to render to this cause all the aid which their experience and knowledge can afford. These owe it to themselves, as citizens of the republic, and as a matter of business self-preservation, to participate actively, and, we believe, efficiently in this movement. The business men have been accused of neglect of political duties. In ordinary times there may be some foundation for this charge, but at every critical juncture in the history of our country, when the nation's prosperity, honor or general welfare was seriously in danger, they have, in the spirit of enlightened patriotism, risen to the full measure of their duty; and we believe that the painful experience of the country under the existing laws on the subject of the currency admonishes the business men that we have reached a point where it is their duty to take an active part in helping to solve the great questions involved.

"And we have a right to believe that a convention composed of broad-minded and enlightened business men, so earnest in the pursuit of truth that party considerations will be forgotten, convening in the spirit of enlightened patriotism, can and will do much in helping forward a wise and sound solution of the currency question.

"We are also justified, in the light of the recent presidential election, in saying that the voters of the nation are opposed to any plan of currency reform involving the use of any money which will place in jeopardy the honor or the credit of our country.

"Accepting these as conclusions from the recent manifestations of public opinion, we cordially and earnestly invite your organization to choose and send with proper credentials—of your representative business men to the proposed convention. Please appoint only those who will attend, and report the names of your delegates, as soon as practicable, to H. H. Hanna, Chairman of Executive Committee, Indianapolis, Ind. Respectfully: "Cincinnati Chamber of Commerce, represented by M. E. Ingalls, Herman Goepper, W. Cooper Procter.

"Chicago Board of Trade, represented by H. F. Dousman, B. A. Eckhart, P. B. Weare.

"Cleveland Chamber of Commerce, represented by J. G. W. Cowles, E. A. Angell.

"Columbus Board of Trade, represented by Joseph H. Outhwaite, William Burdell, Charles H. Linderberg.

"Grand Rapids Board of Trade, represented by N. A. Fletcher, William H. Anderson.

"Indianapolis Board of Trade, represented by H. H. Hanna, E. B. Martindale, George G. Tanner.

"Indianapolis Commercial Club, represented by John T. Brush, Louis Hollweg, Herman Lieber.

"Louisville Board of Trade, represented by Augustus E. Willson.

"Milwaukee Chamber of Commerce, represented by F. H. Magdeburg, H. L. Palmer.

"Minneapolis Board of Trade, represented by T. B. Walker, Joseph U. Barnes, Henry Hill.

"St. Louis Merchants' Exchange, represented by E. O. Stanard, Clark H. Sampson, James Campbell.

"St. Paul Chamber of Commerce, represented by E. V. Smalley.

"Toledo Produce Exchange, represented by Denison B. Smith."

## THE CONVENTION

### FIRST DAY—AFTERNOON SESSION

The Monetary Convention was called to order in Tomlinson Hall, Indianapolis, January 12, 1897, at half past two o'clock, by Hugh H. Hanna, Indianapolis, chairman of the Executive Committee. Rev. Dr. M. L. Haines, of the First Presbyterian Church, Indianapolis, invoked the Divine blessing. The following were the

#### DELEGATES IN ATTENDANCE.

Adrian, Michigan	B. F. Smith
Willard Stearns	Merchants' and Manufacturers' Association
Akron, Ohio	Francis T. Homer
Commercial Club	Daniel Miller
W. C. Parsons	John M. Nelson
Albany, New York	Bay City, Michigan
Board of Trade	Business Men's Association
Edward A. Durant	Nathan B. Bradley
Chamber of Commerce	Bloomington, Illinois
V. H. Youngman	Bloomington Club
Anderson, Indiana	B. F. Harber
Commercial Club	L. H. Kerrick
John W. Lovett	C. P. Soper
Thomas B. Orr	Boonville, Missouri
Atlanta, Georgia	Board of Trade
Chamber of Commerce	Charles C. Bell
R. B. Bullock	Boston, Massachusetts
Jacob Haas	Chamber of Commerce
R. J. Lowry	William O. Blaney
Auburn, New York	Henry E. Cobb
Business Men's Association	Merchants' Association
John E. McIntosh	Henry L. Higginson
Thomas M. Osborne	Henry W. Lamb
Baltimore, Maryland	Prof. F. W. Taussig
Board of Trade	Massachusetts State Board of Trade
Charles C. Homer	Charles E. Adams
Eugene Levering	Commercial Club
Chamber of Commerce	A. P. Gardner
Blanchard Randall	
Howard Rieman	

Bridgeport, Connecticut  
Board of Trade  
Henry Atwater  
Morris B. Beardsley  
Frank N. Benham  
William E. Seelye

Brooklyn, New York  
Manufacturers' As'n of  
Kings and Queens Counties  
R. W. Bainbridge  
C. N. Chadwick  
James Sherlock Davis  
Thomas C. Smith  
William Vogel

Buffalo, New York  
Buffalo Lumber Exchange  
L. P. Graves  
Buffalo Merchants' Exchange  
S. M. Clement  
John A. Kennedy  
George B. Mathews  
George P. Sawyer

Camden, New Jersey  
Board of Trade  
Charles F. Eastlack

Canton, Ohio  
Board of Trade  
A. C. Tonner

Chicago, Illinois  
Board of Trade  
Luther W. Bodman  
William Dickinson  
H. F. Dousman  
W. T. Fenton  
John J. Mitchell  
P. B. Weare

Commercial Club  
William J. Chalmers  
John M. Clark  
Marshall Field  
William A. Fuller  
John J. Glessner  
Franklin MacVeagh  
Murry Nelson  
F. B. Peabody  
H. H. Porter  
Albert A. Sprague

Chillicothe, Ohio  
Board of Trade

Cincinnati, Ohio  
Fred C. Arbenz  
Chamber of Commerce  
Maurice J. Freiburg  
Herman Goepfer  
M. E. Ingalls

Commercial Club  
Alexander McDonald  
James E. Mooney  
J. G. Schmidlapp  
J. W. Warrington

Cleveland, Ohio  
Chamber of Commerce  
Elgin A. Angell  
John G. W. Cowles  
Virgil P. Kline  
Samuel Mather  
Charles L. Pack  
Edwin R. Perkins  
Alfred A. Pope

Columbus, Ohio  
Board of Trade  
Frank F. Bonnett  
Philip H. Bruck  
James W. Meek  
John F. Oglevee  
Nelson A. Sims

Connersville, Indiana  
F. T. Roots

Covington, Kentucky  
Commercial Club  
William H. Mackoy

Dallas, Texas  
Commercial Club  
M. L. Crawford

Davenport, Iowa  
Business Men's Association  
S. F. Smith

Dayton, Ohio  
Board of Trade  
Torrence Huffman  
Fred Reibold  
E. M. Thresher  
J. D. Whitmore

Des Moines, Iowa  
Commercial Exchange  
Edwin A. Temple

Detroit, Michigan  
Board of Trade  
C. W. Baird

S. L. Smith  
Easton, Pennsylvania  
Board of Trade  
John F. Gwinner  
Robert E. James

Elizabeth, New Jersey  
Hon. Chas. N. Fowler

Elkhart, Indiana  
Century Club  
A. R. Beardsley  
Cyrus D. Roys

Evansville, Indiana  
Business Men's Association  
P. G. Kelsey  
A. C. Rosencranz  
Manufacturers Association  
A. C. Rosencranz

Fort Wayne, Indiana  
Commercial Club  
C. S. Knight  
Henry M. Williams

Galesburg, Illinois  
Business Men's Club  
J. T. McKnight  
Nels Nelson  
Albert J. Perry

Grand Rapids, Michigan  
Board of Trade  
Wm. H. Anderson  
N. A. Fletcher  
J. C. Holt  
L. J. Rindge  
L. H. Withey

Green Bay, Wisconsin  
Business Men's Association  
Mitchel Joannes

Hamilton, Ohio  
Hamilton Club  
L. P. Clawson

Hartford, Connecticut  
Board of Trade  
Henry Ferguson  
Jno. H. Hall  
M. H. Whaples

Helena, Montana  
Board of Trade  
T. C. Power

Hillsboro, Ohio  
Citizens' Meeting

C. S. Bell  
Indianapolis, Indiana  
Board of Trade  
H. H. Hanna  
E. B. Martindale  
George G. Tanner  
J. C. Adams

Commercial Club  
John T. Brush  
D. P. Erwin  
Louis Hollweg  
H. Lieber

Indiana State Board Commerce  
E. F. Claypool  
W. H. H. Miller  
John R. Wilson

Jackson, Michigan  
General Welfare Association  
Eugene Pringle

Janesville, Wisconsin  
Business Men's Association  
A. M. Valentine

Jeffersonville, Indiana  
Commercial Club  
Silas Carr  
Thomas B. Rader

Kansas City, Missouri  
Commercial Club  
C. J. Hubbard  
Richard H. Keith  
George F. Putnam

Keokuk, Iowa  
Business Men's Association  
William Ballinger  
W. J. Roberts

Knoxville, Tennessee  
Chamber of Commerce  
E. C. Camp

Kokomo, Indiana  
George W. Landon

La Crosse, Wisconsin  
Board of Trade  
F. A. Copeland  
F. P. Hixon  
J. J. Hogan

Lafayette, Indiana  
Austin L. Kumler  
John F. McHugh

John O. Perrin  
 Little Rock, Arkansas  
 Board of Trade  
 Morris M. Cohn  
 Sydney J. Johnson  
 Charles F. Penzel  
 H. L. Rimmel  
 Logansport, Indiana  
 S. T. McConnell  
 S. P. Sheerin  
 Louisville, Kentucky  
 Board of Trade  
 Morris B. Belknap  
 Simon B. Buckner  
 Logan C. Murray  
 Augustus E. Willson  
 Commercial Club  
 J. D. Stewart  
 Lowell, Massachusetts  
 Board of Trade  
 Charles E. Adams  
 Macon, Georgia  
 Chamber of Commerce  
 Samuel R. Jaques  
 Wm. McE. Johnston  
 William Henry Ross  
 Madison, Indiana  
 Merchants and Manufacturer's Club  
 John W. Linck  
 Frank L. Powell  
 Madison, Wisconsin  
 Madison Business Club  
 W. A. Scott, M. D.  
 M. B. Van Slyke  
 Marion, Indiana  
 Commercial Club  
 O. H. Keller  
 Massillon, Ohio  
 Board of Trade  
 James C. Corns  
 W. R. Harrison  
 Meridian, Mississippi  
 Young Men's Business League  
 C. W. Robinson  
 Middletown, Connecticut  
 Board of Trade  
 Hon. O. Vincent Coffin

Milwaukee, Wisconsin  
 Chamber of Commerce  
 Robert Hill  
 Frederick Kraus  
 C. E. Lewis  
 F. H. Magdeburg  
 Minneapolis, Minnesota  
 Chamber of Commerce  
 W. H. Dunwoody  
 F. H. Peavey  
 F. G. Winston  
 Montgomery, Alabama  
 Commercial and Industrial Association  
 T. L. Jones  
 M. P. LeGrand  
 H. C. Tompkins  
 Mount Vernon, New York  
 Board of Trade  
 Joseph S. Wood  
 Muncie, Indiana  
 Commercial Club  
 T. F. Rose  
 Nashville, Tennessee  
 Chamber of Commerce  
 W. C. Dibrell  
 J. C. McKeaynolds  
 New Albany, Indiana  
 Commercial Club  
 George B. Cardwill  
 W. A. Hedden  
 E. G. Henry  
 Newark, New Jersey  
 Board of Trade  
 Benjamin Atha  
 Edward S. Campbell  
 James A. Coe  
 J. A. Lebkuecher  
 New Haven, Connecticut  
 Chamber of Commerce  
 Edward E. Bradley  
 Charles E. Curtis  
 Arthur T. Hadley  
 Joel A. Sperry  
 Herbert C. Warren  
 New York, New York  
 Board of Trade and Transportation  
 W. H. Parsons

Henry Dalley, Jr.  
 Francis B. Thurber  
 Coffee Exchange  
 A. Augustus Healy  
 Henry Hentz  
 New York Cotton Exchange  
 James O. Bloss  
 Samuel T. Hubbard, Jr.  
 Charles Dexter Miller  
 Chamber of Commerce  
 J. Harsen Rhoades  
 Isidor Strauss  
 Charles S. Fairchild  
 William E. Dodge  
 A. Swan Brown  
 George Foster Peabody  
 New York Produce Exchange  
 Franklin Edson  
 Evan Thomas  
 Oakland, California  
 Board of Trade  
 John P. Irish  
 Oswego, New York  
 Board of Trade  
 John D. Higgins  
 George B. Sloan  
 Ottawa, Illinois  
 City Club of Ottawa  
 Richard C. Jordan  
 Ottumwa, Iowa  
 Industrial Exchange  
 William Daggett  
 S. H. Harper  
 Peoria, Illinois  
 Board of Trade  
 Philo B. Miles  
 Alexander G. Tyng, Jr.  
 Samuel Woolner, Jr.  
 Philadelphia, Pennsylvania  
 Board of Trade  
 John C. Bullitt  
 Joel Cook  
 C. Stuart Patterson  
 William R. Tucker  
 Joseph Wharton  
 Piqua, Ohio  
 Board of Trade  
 W. P. Orr  
 John S. Patterson

Port Huron, Michigan  
 Chamber of Commerce  
 William Canham  
 W. L. Jenks  
 Portland, Maine  
 Merchants' Exchange and Board of Trade  
 Charles Libby  
 Edward A. Noyes  
 Portsmouth, Ohio  
 Board of Trade  
 George D. Selby  
 Frank Knauss  
 Providence, Rhode Island  
 Board of Trade  
 Rowland Hazard  
 Herbert J. Wells  
 Quincy, Illinois  
 Young Men's Business Association  
 Joseph L. Morgan  
 Edward J. Parker  
 W. P. Upham  
 C. H. Williamson  
 Richmond, Indiana  
 Commercial Club  
 John J. Harrington  
 B. B. Johnson  
 Richmond, Virginia  
 Chamber of Commerce  
 S. W. Travers  
 W. R. Trigg  
 Rochester, New York  
 Chamber of Commerce  
 Charles J. Brown  
 Rufus A. Sibley  
 St. Louis, Missouri  
 Commercial Club  
 H. C. Haarstick  
 E. A. Hitchcock  
 George E. Leighton  
 Thomas H. West  
 Merchants Exchange  
 F. N. Judson  
 Clark H. Sampson  
 C. H. Spencer  
 E. O. Stanard  
 St. Louis Cotton Exchange  
 Jerome Hill

L. L. Prince	Denison B. Smith
St. Paul, Minnesota	Topeka, Kansas
Commercial Club	Commercial Club
William P. Clough	E. Wilder
Chamber of Commerce	Troy, New York
William B. Dean	Citizens' Association
Emerson W. Peet	M. G. Curtis
E. V. Smalley	H. S. McLeod
San Antonio, Texas	Utica, New York
Business Men's Club	Chamber of Commerce
S. D. Scudder	Otto A. Meyer
Sandusky, Ohio	Philip Owen
Improvement and Invest-	Frederick C. Walcott
ment Company	Vicksburg, Mississippi
Henry C. Huntington	Board of Trade
A. E. Merrill	J. A. Conway
Savannah, Georgia	Vincennes, Indiana
Board of Trade	Board of Trade
I. B. Tiedeman	Edward Watson
Sioux City, Iowa	Washington, District of Columbia
Commercial Association	Board of Trade
W. H. Beck	B. H. Warner
H. A. Jandt	S. W. Woodward
O. O. Tollerton	Wilkesbarre, Pennsylvania
James F. Toy	Board of Trade
South Bend, Indiana	Walter Gaston
Commercial Club	A. A. Sterling
George Ford	Worcester, Massachusetts
Fred Miller	Board of Trade
P. E. Studebaker	A. Swan Brown
Springfield, Illinois	Arthur M. Stone
Citizens' Improvement As-	Hon. Joseph H. Walker
sociation	Yankton, South Dakota
Charles Ridgely	Board of Trade
D. W. Smith	James F. Cravens
Springfield, Ohio	Yonkers, New York
Board of Trade	Board of Trade
John S. Crowell	S. T. Hubbard, Jr.
Terre Haute, Indiana	Youngstown, Ohio
Business Men's Association	Board of Commerce
B. F. Havens	G. M. McKelvey
B. G. Hudnut	Zanesville, Ohio
I. H. C. Royce	Board of Trade
Toledo, Ohio	W. R. Baker
Chamber of Commerce	W. B. Cosgrave
S. S. Knabenshue	

After Mr. Hanna, on behalf of the Executive Committee, had welcomed the delegates and the call had been read, he submitted, and the convention concurred in, the following

# REPORT OF THE EXECUTIVE COMMITTEE

"The Executive Committee appointed by the preliminary conference held in the city of Indianapolis on the first day of December, 1896, respectfully reports that, pursuant to the resolution of instructions adopted at such preliminary conference it has sent out invitations to boards of trade, commercial clubs and such like organizations in all the cities of the United States having a population of 8,000 and greater, according to the last census, requesting these to send delegates to this convention pursuant to the call issued by said preliminary conference, and through these invitations thus issued there are assembled here 350 delegates, representing business organizations and cities in nearly every state in the Union. Under the provisions of the organization of the Executive Committee and in accordance with the duties imposed upon the same, the committee respectfully recommends for the temporary organization the following:

"1. That the rules of the present house of representatives of congress, so far as the same are applicable, shall regulate the proceedings of the convention under the temporary organization.

"2. That the temporary organization, through its chairman, shall appoint the following committees:

"Committee on Credentials, consisting of fifteen members; a Committee on Permanent Organization, consisting of fifteen members, and a Committee on Rules and Order of Business, consisting of fifteen members.

"3. That all resolutions concerning the currency and banking system and mode of procedure shall be referred without debate to the Committee on Resolutions to be appointed by the permanent chairman.

"4. That in voting the roll shall be called by the boards of trade, or other organizations, and each organization represented shall be entitled to one vote for each delegate present from such organization.

"5. That the hours for holding the sessions of the convention shall be as follows: Morning session, 10 A. M. to 1 P. M.; afternoon session, 2:30 P. M. to 6 P. M.; evening session, 8 P. M. to 10 P. M.

"6. For temporary chairman the Executive Committee recommends E. O. Stanard, of St. Louis, Mo.; for temporary secretary, Jacob W. Smith, and for sergeant-at-arms, W. F. C. Golt, and that the temporary secretary and the temporary sergeant-at-arms each shall have the power to name assistants."

William E. Dodge, New York, P. B. Weare, Chicago, and M. L. Crawford, Dallas, were appointed a committee to conduct the temporary chairman to the chair. Governor Stanard, in taking the chair, spoke as follows:

## TEMPORARY CHAIRMAN STANARD'S ADDRESS

"Mr. Chairman and Gentlemen of the Convention:

"I desire to thank you for the honor you have conferred upon me by this call to preside over the temporary deliberations of this convention. Early in December, at the instance of the Board of Trade and the business men of Indianapolis, a preliminary monetary conference was called to meet here, consisting of representatives of commercial organizations of some of the central western states, and that conference was composed of some fifty business men.

"After a thorough and rather comprehensive discussion of matters under consideration it was resolved to invite the commercial organizations of the United States to send delegates to a convention to be held in this city to-day to consider matters of importance pertaining especially to the financial policy of our government. Pursuant to this action you have here assembled, and I congratulate you and the country upon the assemblage of this convention of business men, to consider matters of so great importance to the country.

"It is not my purpose on this occasion to suggest any given line of policy to be pursued in remedying the evils of which complaint has been made or that may be suggested here or hereafter. But I may mention, to my mind, some of the most glaring defects in our financial system. In this connection it is safe for me to say that the stability, prosperity and safety of our commercial, manufacturing, banking and agricultural operations depend upon a safe, comprehensive and stable financial policy for our government [applause], a policy that may be relied on to last from one year to another and from one political administration to another, and to be taken, as far as possible, out of the realm of politics. [Applause.]

"Confidence is the foundation on which business and all affairs of material interest are built. There should be enough money to do the business of the country, and there should be no doubt about its character [applause], and no shaking of confidence to take it out and keep it out of circulation. The people of the United States not only should have confidence in our financial methods, but all the nations of the earth with whom we have commercial relations should have assurance of the stability of our financial affairs, so that they may know on what basis they are working. This is of great importance to us as well as to the foreign nations when we take into account that during the last year we exported to foreign countries more than a thousand millions of dollars' worth of the surplus of our soil and the industries of our people, and imported a little more than seven hundred millions of their products, and while our operations with foreign countries may not be quite as large every year as this, they are always of enormous proportions.

"The present financial methods of the government are largely those adopted during the war, when there were great emergencies. I believe that there is a very strong and constantly increasing conviction among our people, and especially our business men who come in daily contact with affairs, that some method should be adopted for the retirement of the United States and treasury notes [applause], and that they should not much longer be tolerated as a circulating medium. [Applause.] They have been a hindrance to the prosperity of our government for many years. They are a constant menace to our treasury reserve and to the credit of the government, and when encroachments are made upon these reserves commerce stands in fear and trembling. [Applause.] There seems to be a well defined conviction among business men, from the experiences of the past, that there should be no notes in circulation which should not be retired and canceled when their office has once been fulfilled. Whether these notes should be retired at once or gradually I am not disposed to say, but of the necessity of their retirement I think there can be no question. I would retire them by the sale of long government bonds at a low rate of interest, if there can be no better way devised for their withdrawal from circulation. [Applause.]

"While I am mentioning some of the defects, as I believe, of our monetary system which come to my mind, I would say that I see no reason why our national banking law should not be so amended as to allow the national banks to issue notes up to the par value of the bonds which they hold as a basis for their issue [applause], instead of issuing, as they are now compelled to do, only 90 per cent. of the par value of the bonds that cost them perhaps 118 to 120. This would help in giving us a larger volume of circulation and be an inducement to the banks to issue all the bills they could under the new law. Many of the banks, as the law now stands, do not issue all the notes they are authorized to do, because much of the time it is not profitable for them to invest in bonds at 120 when they can not avail themselves of an issue of more than 90 per cent. of the par value of these bonds they purchase. Then there is a tax of 1 per cent. on the issue of the national bank circulation, and I see no necessity for so large a tax as this, as it must ultimately be paid by the borrower. I believe that the tax should be reduced to  $\frac{1}{4}$  of 1 per cent.

"There are many advantages connected with the national banking system of the country, and this system, I believe, might, with great benefit, to all interests, be extended by allowing, under proper safeguards, the establishment of branch banks in smaller cities with largely reduced minimum of capital. [Applause.] I believe that there is no instance on record where a loss has come to holders of national bank notes.

"There are many suggestions of reform, and I do not propose



to take up your time referring to many of them. One is to withdraw all paper money under the denomination of \$5 or \$10, thereby forcing a larger volume of silver and gold to circulate in the hands of the people [applause], and I believe this is well worthy of favorable consideration.

"I do not believe that any criticism can with reason or justice stand against commercial or business organizations for taking an active interest and making recommendations to congress in matters of so great concern as these which call us together.

"I find from the last census that there is an aggregate of over six billions of money invested in manufactures in the United States, and that there are over four millions of men employed in these establishments, and that the output is over nine billions in value annually. I also find that the average annual value of the cotton, wheat, corn and oats produced in this country is about four billions of dollars, to say nothing of the value of cattle, horses, hogs and almost innumerable other products of the farm and field.

"I am sure the banker, merchant, professional man, manufacturer, farmer, miner, artisan, mechanic and laborer all have a common interest in the cause we are promoting. In the language of Benjamin Franklin, 'We must all hang together, for if we do not we will all hang separately.' [Laughter and applause.] The country can not permanently prosper if any of the essential interests are neglected or sacrificed. All legislation should be for the greatest good of the greatest number.

"However, it is not my purpose to occupy much of the time given to these opening exercises, and while I may have some opinions as to the manner of procedure and as to the results of the deliberations of this convention, and as to what we should ask congress to do, I believe it is not within my province to make recommendations. But with the greatest confidence in your wisdom and in your patriotic devotion to the work in hand, I now announce the convention ready for any business which may be brought before it. [Applause.] What is your pleasure?"

The appointment having been authorized on motion by E. B. Martindale, Indianapolis, the chairman announced the following

#### COMMITTEE ON PERMANENT ORGANIZATION

E. B. MARTINDALE, Indianapolis, Chairman

Murry Nelson, Chicago  
F. B. Thurber, New York  
C. H. Spencer, St. Louis  
D. B. Smith, Toledo  
A. E. Willson, Louisville  
R. B. Bullock, Atlanta  
John Joy Edson, Washington

Frank M. Peavey, Minneapolis  
William R. Tucker, Philadelphia  
William E. Seeley, Bridgeport  
T. C. Power, Helena  
J. N. Simpson, Dallas  
William H. Beck, Sioux City  
Blanchard Randall, Baltimore

The appointment having been authorized on motion by E. V. Smalley, St. Paul, the chairman announced the following

#### COMMITTEE ON RULES AND ORDER OF BUSINESS

E. V. SMALLEY, St. Paul, Chairman

George Foster Peabody, New York	T. C. Power, Helena
Rowland Hazard, Providence	Charles L. Pack, Cleveland
Rufus B. Bullock, Atlanta	T. H. West, St. Louis
H. L. Higginson, Boston	Thomas W. Osborne, Auburn
H. C. Tompkins, Montgomery	P. G. Kelsey, Evansville
C. J. Hubbard, Kansas City	A. A. Sprague, Chicago
C. W. Baird, Detroit	William Daggett, Ottumwa

The appointment having been authorized on motion by W. H. Anderson, Grand Rapids, the chairman announced the following

#### COMMITTEE ON CREDENTIALS

WILLIAM H. ANDERSON, Grand Rapids, Chairman

Elgin A. Angell, Cleveland	S. W. Woodward, Washington
P. B. Weare, Chicago	W. H. Dunwoody, Minneapolis
Louis Hollweg, Indianapolis	S. D. Scudder, San Antonio
Herman Goepper, Cincinnati	F. A. Copeland, La Crosse
Evan Thomas, New York	I. B. Tiedeman, Savannah
Henry L. Higginson, Boston	Charles F. Libby, Portland
L. L. Prince, St. Louis	James F. Cravens, Yankton

On the suggestion of W. H. Parsons, New York, Ex-Secretary Fairchild, New York, was invited to address the convention. He spoke as follows:

#### SECRETARY FAIRCHILD'S ADDRESS

"Mr. Chairman and Gentlemen of the Convention:

"If I am to speak at all, which I do not wish to do, I certainly am very glad to speak before Mr. Irish, rather than after him. Nothing can exceed in importance the purpose which has brought you here together. For the first time in the history of governments a scientific financial question was submitted to a people for popular consideration in our last election. It was a great test. It was a great test of our institutions, not alone in the way in which it was decided, but on the whole in the spirit with which it was considered, because we were considering the adoption practically of a tool with which to conduct our business—that and only that. Other men at other times in our history had considered similar questions, men differing as widely as possible in their political views; and yet, to them, there never entered an idea that party, section, race, nationality or worldly condition was involved. When, at the beginning of our government, such men as Hamilton and Jefferson considered these sub-

jects they approached them with calmness of mind, having no difficulty in considering them side by side. Therefore, it was a great test of our system of popular government when all these millions of people were enabled, in the great mass, to consider a question of that sort, on the whole, in that same spirit.

"It was most reassuring, but the decision that was arrived at was a negative one, after all. We stopped where we were. We went no further in one direction. Now the necessity is before the country of going onward and upward in another direction, and unless the educated commercial and business community is alive and bestirs itself to influence popular opinion, to educate not only their neighbors, but themselves, as to what is wise and best, then we will never attain a wise result. Therefore, it is most encouraging that these business men of what we call the middle west have invited their fellow-business men of all parts of our broad country to come here and counsel together how best to improve the tools with which we transfer our property and our services from man to man, from city to city, from state to state, and from nation to nation. [Applause.] This is a question where no division of interest can exist; it is impossible for any one to conceive of any portion of our country that has an interest different from any other portion in the selection of this tool. [Applause.] Ask any man where he will begin to draw the line and you will find he never has been able to do it. Why, there has been an attempt made to draw the line between that portion of the country which I, as a member of a delegation of the Chamber of Commerce of New York, represent and some other portion of the country. They have said that our interests are antagonistic to the interests of other portions of the country; that other portions of the country are in debt, owe mortgage indebtedness if you choose; that the state of New York is the creditor of the whole country.

"Gentlemen, have you ever looked at the statistics given in the last census to see how the relation stands even on this question? Do it, and you will see that of the whole mortgage indebtedness of these United States 27 per cent. of it is upon property in our state of New York. Therefore, when this currency question is approached from the standpoint of the debtor we, of the state of New York, owe more than one-fourth of the whole mortgage indebtedness of the whole United States. Therefore, if the debtor who has an obligation upon his real estate is to be benefited by any manipulation of the currency, we of New York will get more than one-fourth of the benefit. [Applause.] Therefore our interest is not a sectional one, or an antagonistic one to any portion of the country. Look at some of your other statistics. It has been said that we absorb all of the gold of the country. I looked at the comptroller's report of last year to see how that stood, and found, in the division that he makes of the New England and eastern states, that New England in its

deposits of its cash held 42 per cent. in gold; the eastern states held 42 per cent.; your middle western states held 51 per cent., and the Pacific states, including all those states that are supposed to be most interested the other way, held 76 per cent. [Applause.] Therefore you see there is no sectional division of interest or of habit or of resources. We therefore can approach this question as men with one common interest in one common country. [Applause.]

"What can we do? What can we ask the government to do? I am not here to lay down a program, or to foreshadow or forestall, in any advice, the action of this convention, but I can say in my experience some of the things which all the power of these commercial bodies united, asking the government to do, and all the power of the government behind it, can not do, and that is to give a value to something by calling it money and investing it with the legal tender quality. [Applause.] That has been tried time and again in the history of governments, and time and again the most powerful governments relatively to their people have broken down in the attempt. Therefore, that is one of the things that a government can not do, when it attempts to go against the general consensus of the business communities of the business nations of the world. [Applause.] The one thing that experience shows that governments can do, if they want to give the people under them the greatest quantity of circulating medium, is to see to it that the quality of every part is perfectly undoubted and perfectly acceptable to every section of every business community. [Applause.]

"Let me illustrate my meaning. A portion of our circulating medium is made up of money, what we call money, a very small portion. A very large portion is made up of what we call instruments of credit, and in my opinion even over, and beyond the physical and visible instruments of credits there is another large circulating medium which consists of a state of mind favorable to the circulation of commodities.

"Now we see the effect of any impairment of the quality of that portion of your circulating medium that consists of faith and credits. Let some one fail, let there be bad faith, what happens? Why, immediately not only the portion of the circulating medium, which consists of the credit of that individual or that firm, begins to contract, but all other circulating medium of a similar character begins to contract, and not only that but all of the circulating medium which consists of money only begins to contract because men begin to hoard the money. Therefore, when the quality is impaired (and, gentlemen, you can impair the quality of it by your laws, by interfering with the collection of debts; you can impair quality in that way), you diminish quantity, the very thing that communities are seeking to increase. [Applause.]

"On the other hand, take that portion of your circulating

medium which consists of money only; let government begin to tamper with that so that men are doubtful as to its quality, and what happens? Why, not only it begins to contract, the money itself begins to contract, because men hoard the best, not only that, but that great body of your circulating medium which consists of instruments of credit immediately begins to contract, because men are doubtful as to what their balances will be paid in; and not only that, but that other great portion of your circulating medium which consists of even a mental state begins to contract, because men are doubtful whether they want to do business at all or not. Therefore, I come back to it that the one thing that government can do, as shown by the experience of mankind, if it wishes to give its people the maximum of circulating medium, is to see to it that the quality is undoubted. [Applause.] And in all your deliberations, in whatever you do or whatever recommendations come out of this assembly, you will find that you will come back in the end to this proposition, simple as it seems to be: Attend to quality and quantity takes care of itself. [Applause.]

"Gentlemen, it is of vast importance that something decided comes from these deliberations. This assemblage has been widely heralded. The world knows of it. It undoubtedly represents the business of this country. It ought to be able to arrive at wise conclusions. It ought to have an influence which will enforce those conclusions upon the favorable attention of the law-making power. All this ought to be, and, I tell you, before the work of this convention is finally concluded, the business world not only of the United States, but of all the world, will be looking at it and at its results, and I tell you, gentlemen, if it shall be demonstrated—as God grant that it may not be—that there is within this body not sufficient wisdom to arrive at something wise and conclusive, or, if having so come to a conclusion among themselves, it is demonstrated that you are so far removed in influence from the law-making power that no results come from it, I tell you gentlemen, you may tremble for the business and political future of this country. [Applause.] Better never have been called together, better never have assumed to represent anyone; better never have pretended to have any influence than to have come here, as you have come, and have failure of any degree. Our business condition is such that we can not afford failure, we must not have failure. Every one of you must carry this in your breast as a solemn duty, to do what you can to make the deliberations of this body a beneficence to your country. [Great applause.] You can do it. You can do it if you will; you must do it, and you will do it if you understand the interests of your country and of the business that you represent." [Applause.]

On the suggestion of C. W. Robinson, Meridian, John P. Irish,

Oakland. was invited to address the convention. He spoke as follows:

#### MR. IRISH'S ADDRESS

"Admonished by trying experiences, past and current, for the first time in the history of this nation the business men of the republic have met to-day 'to take up arms against a sea of troubles, and by opposing, end them.' [Applause.]

"Let no man minimize either the perils or the difficulties of the situation. Moved on by a spirit of optimism for more than a third of a century, the business of the country has hoped against adverse conditions. The strength of our youth and our resources have met and mastered difficulties that would have conquered the strength of any other land on the earth, but at last we have reached a crisis which can be met successfully and passed successfully by no spirit of optimism. Hope is no longer a force that can sustain the business interests of this republic. Our financial scheme is a scheme that has been permitted to grow through a series of patchwork expedients, with its radix in the fargone emergencies of the civil war, until if I were to describe it in the terms of surgery, I would say our financial plan in this republic is a complex, compound, comminuted fracture, with a dissolution of continuity from marrow out to skin [laughter], in violation of nearly every sound and scientific principle which should be the soul and the life-breath of a national financial scheme.

"This system of finance, if it were an architectural structure, might be described in the language of the supervising architect of one of the capitol buildings in one of the western states, which I went to look at once as an object of curiosity. I said to the architect: 'To what order of architecture does this building belong?' Over the cradle of that architect the Bow bells of London had rung. And he answered me:

" 'Well, sir, it is a hint at the Italian and Norman style with an attempt at Greek vigor.' "

"The spirit of optimism to which I have referred has gone on, and moved by hope, brightened by expectation, buoyed by the future in golden colors, the business of the country has continually warped itself to these distorted conditions, but we have now discovered that in that warping process the business of this country has every time lost force, until that aggregation of lost force brings to us a business almost prostrate, and no longer possessed of the power of adaptive contortion to these distorted conditions under which it is compelled to transact its affairs. These, then, are the difficulties.

"Business realizes that it is already so distorted that not another motion can be made to accommodate itself to conditions that are unscientific and unnatural, and your duty, my friends, is to suggest to the law-making power of this republic—this re-

public which will not be long a nation worthy of the loyalty of its citizens, which will not much longer shelter under its laws that prosperity and human happiness which are the birthright of man, unless these conditions are changed. It is your business, gentlemen, to suggest to the law-makers the straightening out of the inequalities of our financial system, to put simplicity in place of complexity, to conform that system to natural laws of finance.

"I am aware that we have many well-meaning countrymen who join us in the impeachment of the weakness and the distortion of the superstructure of the finances of this country, and who believe, perhaps conscientiously, that the way to strengthen the superstructure is to weaken the foundation. [Applause.] We are not here to discuss foundations to-day; we are concerned with what is built upon that foundation. We have currencies of many kinds, some with direct and some with indirect methods of redemption. We have a government engaged by its treasury in a banking system the most vicious and unprotected that was ever forced upon the public treasury of any nation. [Applause.] Why, Egibi & Son, the state bankers of Babylon, way back before people wrote anything but the old cuneiform letter, would have rejected any such system as that under which we are living in this republic at the present time. [Applause.]

"Now, face which way we will, we are confronted by difficulties which stand over us like an army with banners. To many the knowledge of this difficulty is a thing to which they are accustomed. The consideration of remedies for it is a thing that is new to them. I believe, as the ex-secretary of the treasury, wise in finance, and with a prolonged and profound experience, I believe, as he has said, that the men who transact the business of the country, the men who sit before me here to-day, with investments in every possible labor-employing and wealth-producing energy from ocean to ocean, and from land to land, the men here before me who have investments in the gold and silver mines of the west, in the coal mines of every state and in the lead, copper and iron mines of this republic, I believe that they who control by their investments and promote and create by their energies the wage-paying industries of the republic, which not only put the dinner into the tin pail of the laborer, but which pay him the wages that entitle him to look forward to a condition of independence when he may become an investor himself—I believe that the men who promote all these mighty and majestic energies in this great country, with its excess of natural resources—that in them is the wisdom to 'oppose this sea of troubles, and by opposing, end them.' [Applause.]

"It is not my place now to talk of details, but it has seemed to be my duty that I should remind my countrymen who are here of the difficulties that lie before them. This convention is singular and peculiar. It is individual amongst conventions

held in this republic heretofore. You are here without party and without bias; you are here without the pride of individual opinion; you are here entirely unfettered and unvexed by the flooding tide of political ambitions to solve a problem in the solution of which lies, first and highest in your estimation, the welfare of your country and your own business and financial safety. [Applause.] I hope that through some projected activity of this convention before this inquiry shall close, the men of this republic, from the shores of the sea of peace where I live to the Atlantic, and from the gulf to the Dominion line will have consulted the men engaged in finance, in wholesale and retail transactions in articles of commerce, in domestic and export and import trade, will have consulted the manufacturers and will have called into your councils the thoughtful and reasonable leaders who represent the 15,000,000 of American workingmen who earn wages in the occupations which lie at the foundation of all of the energies which are excited and incited by your capital and your enterprise, because there can be no prosperity that is not for all, and the reason that prosperity in this republic has seemed to some of our countrymen to be partial and preferred is because that prosperity has been wrung by the few who have gained it against the unnatural and unscientific financial conditions which I have attempted to depict.

"It would be wrong that I should detain you, or that I should seem to further arouse your imagination and appeal to your fancy by picturing the difficulties that lie before you. I have intended to make an appeal to that highest form of business intelligence known to the world, the intellect and the courage and the patriotism of the representatives of the business classes of the republic." [Applause.]

#### REPORTS OF THE COMMITTEES

The Committee on Credentials submitted a report which was adopted, showing that the number of delegates whose credentials had been filed with it was two hundred seventy. (The complete roll subsequently showed two hundred ninety-nine in attendance from twenty-eight states and the District of Columbia.)

The Committee on Rules and Order of Business submitted the following report, which was adopted:

"First. Morning sessions shall begin at 10 o'clock A. M. Afternoon sessions at 2:30 P. M. Evening sessions at 8 P. M.

"The committee have not fixed any time for closing the evening session as was fixed in the report of the Executive Committee.

"Second. Any delegate presenting a resolution or paper or other matter for reference to the Committee on Resolutions shall be allowed five minutes time to read or explain same; and the

same shall then be referred to the committee without further debate.

"Third. In the discussion of any subject that may come before the convention except the reports of the Committee on Resolutions, speeches shall be limited in time to five minutes each. [Applause.]

"Fourth. The Committee on Resolutions may report their recommendations in whole or in part as they may deem best, at any time.

"In making the report the chairman, or such member as he may designate, shall have a half hour in which to address the convention. If there shall be a minority report, the mover of such report shall also have half an hour's time, after which speeches shall be limited to ten minutes each.

"Fifth. The previous question may be moved at any time, and if seconded by twenty delegates the presiding officer shall proceed under the rules of the House of Representatives at Washington.

"Sixth. The rules of the House of Representatives, in so far as the same may be applicable, shall be the rules of this convention, except as they may be modified by the special rules adopted by the convention."

The Committee on Permanent Organization submitted the following report, which was adopted:

"Mr. President, your Committee on Permanent Organization would respectfully recommend that C. Stuart Patterson, of Pennsylvania, be chosen permanent president of this convention [applause]; that there be chosen by the delegates of each state, one vice-president, whose name shall be handed to the president of this convention, by the delegates from the several states; that Evans Woollen, of Indianapolis, be chosen permanent secretary of the convention, with authority to appoint necessary assistants; that W. F. C. Golt, of Indianapolis, be chosen sergeant-at-arms, with authority to appoint necessary assistants; that there be chosen, or continued if already chosen by the temporary organization, a Committee on Credentials, consisting of fifteen delegates to be appointed by the president; a Committee on Rules and Procedure, consisting of fifteen delegates to be chosen by the president; and a Committee on Resolutions to consist of one delegate from each state represented in this convention, the delegates from each state to select and report to the president of this convention the name of the delegate so chosen to serve on the Committee on Resolutions."

E. B. Martindale, Indianapolis; H. H. Hanna, Indianapolis, and R. J. Lowry, Atlanta, were appointed a committee to escort the permanent chairman, Hon. C. Stuart Patterson, Philadelphia, to the chair. In taking the chair, Mr. Patterson spoke as follows:

#### PERMANENT CHAIRMAN PATTERSON'S ADDRESS

"Gentlemen of the convention, I thank you very sincerely for the honor which you have conferred upon me, in calling me to preside over your deliberations. I accept this honor with unfeigned reluctance. I had hoped that your choice would fall upon your distinguished temporary chairman, known and honored of all men in every assemblage of the representatives of the business interests of this country [applause]; or upon the distinguished ex-secretary of the treasury, a recognized authority upon all questions of finance [applause]; or upon that orator from California whose mellow tones are still lingering in our ears [applause]; or upon any one of the many capable and successful business men that I see before me.

"This is a body of business men. Your presence here proves your acceptance of the true definition of that term. Here, today, are representatives of agriculture, of mining, of manufactures, of trade, of commerce, of transportation, and of the vast aggregation of capital which is constituted of the earnings of labor and the savings of thrift. [Applause.]

"We may be partisans as to all questions that can properly be determined solely upon party considerations, but we are also, above all, American citizens. As American citizens [applause], proud of our country's past, and hopeful of its future, we meet to-day to take counsel together as to those great questions of public interest which relate to the currency of the country, and which ought to be decided upon grounds that are broader than those of mere party spirit.

"Meeting as citizens to consider a subject of common interest to the whole country, it is fitting that we should come together in the middle west, which is to-day the seat of empire, in the great state of Indiana, where last autumn the victory was won for the honor of the nation, and in this typical American city of Indianapolis. [Applause.]

"Let us approach the grave subjects that are to be brought before us with no pride of opinion, but in the spirit of that old maxim which tells us that 'In things necessary there should be unity; in things doubtful, liberty, and in all things, charity.' [Applause.]

"But let us refuse to recommend any compromise of principle [applause], for such compromises have always failed to accomplish their desired end, because of their inherent inability to destroy the irritating cause, and because of their essential inapplicability to changed conditions and circumstances.

"This country is an empire in the extent of its territory, in the number of its population and in the magnitude of its material interests. There are densely populated areas of territory, and there are scantily populated areas of territory. In

the former there is an adequate, and perhaps in some places, an excessive supply of banking facilities. Where these banking facilities exist to an adequate extent, not only are means of accommodation provided for responsible borrowers, but there are also supplied those credit substitutes for money in the shape of checks and drafts which increase the volume of currency at the time when such an increase is needed by the people. Where these banking facilities do not exist to an adequate extent, unduly high rates of interest prevail, and the demand for currency in general exceeds the supply. We therefore need for domestic purposes a currency of stable value, and of full purchasing power which shall be neither redundant nor contracted, and which shall flow into the channels of trade when and as the interests of the country may require.

"This country has extensive commercial relations with other countries. The continued development of the west and south demands that the surplus capital of the world should be brought here for remunerative investment. It is in no sense inconsistent with the building up, and with the protection of the home market, that we look forward to the growth and increase of our foreign commerce, so that our agricultural, mining and manufacturing products shall find that larger market which will give to American industry greater returns. For our international relations we need therefore a currency which shall be of full value in the markets of the world. [Applause.]

"We may differ as to the questions of protection, or of revenue reform, but we can agree that the government must have a revenue adequate to its necessary expenditures, and with a surplus sufficient to provide for possible contingencies. [Applause.] We can agree that as that revenue must be raised by taxation that taxation should be so imposed as to lay its burdens upon the people in the manner that can most easily be borne. We can agree that the existing standard of value shall be maintained. [Applause.] We can agree that bimetalism would be desirable if we could be assured that an international treaty could be effected, and if we could further be assured that it would be possible in fact to preserve the parity in value of two metals of a different rate and cost of production. We can agree that there ought to be an enlarged and increased use of silver coins convertible at par into and redeemable in gold. [Applause.] We can agree that so long as the government demand notes are outstanding provision should be made by law for the maintenance of an adequate gold reserve specifically pledged for the redemption of those notes. We can agree as to the fact that while in some cases shareholders of, and depositors in national banks have lost by unskillful or unfaithful management, yet no holder of a national bank note has ever had occasion to inquire what bank issued the note, or has ever lost any part of the amount of the note. [Applause.] We can also agree that the national

banking system should be so amended as to provide some method for the more general extension of banking facilities to all parts of the country; and chiefly we can agree that the wise and adequate solution of the currency question in the interest of the whole country, and of all the people, is of grave importance, and should be a subject of more deliberate and detailed consideration than this convention can at its present session extend to it, and may properly be referred to such method of investigation as you in your wisdom may decide. [Applause.] It is for you to pass upon this and upon all other questions that may be submitted here.

"When the convention which framed the constitution of the United States was about to assemble, Washington said: 'If to please the people we offer what we ourselves disapprove, how can we afterwards defend our work? Let us raise a standard to which the wise and honest can repair. The event is in the hands of God.' [Applause.]

"Let that view, expressive of the highest statesmanship and the truest patriotism, control our action. Let us raise a standard to which the wise and honest of all parties can repair. [Applause.]

"In this country the people are sovereign. Nowhere else in the world is there a more general diffusion of intelligence or a higher average of moral character. The people must, as the tribunal of last appeal, determine what the currency of a great country ought to be, and, therefore, what the currency of this country shall be.

"The nation has survived the shock of foreign and of civil war. It has overcome the disintegrating influences of the expansion of territory and the growth of population. It has successfully resisted the attempt to lower the standard of value. [Applause.]

"Let us have confidence enough in the people and faith enough in our free institutions to believe that in the future, as in the past, the people will rightly determine the questions which shall be submitted to them." [Applause.]

The delegations from the states represented reported the following

#### VICE-PRESIDENTS

Alabama .....	M. P. LeGrand, Montgomery
Arkansas .....	Charles F. Penzel, Little Rock
California .....	John P. Irish, Oakland
Connecticut .....	O. Vincent Coffin, Middletown
District of Columbia .....	S. W. Woodward, Washington
Georgia .....	William H. Ross, Macon
Iowa .....	H. A. Jandt, Sioux City
Illinois .....	Charles Ridgeley, Springfield
Indiana .....	W. H. H. Miller, Indianapolis
Kentucky .....	Simon B. Buckner, Louisville

Maine.....	Edward A. Noyes, Portland
Maryland.....	Eugene Levering, Baltimore
Massachusetts.....	Henry E. Cobb, Boston
Michigan.....	S. L. Smith, Detroit
Minnesota.....	F. H. Peavey, Minneapolis
Mississippi.....	J. A. Conway, Vicksburg
Missouri.....	Thomas H. West, St. Louis
Montana.....	T. C. Power, Helena
New Jersey.....	J. A. Lebkuecher, Newark
New York.....	Rufus A. Sibley, Rochester
Ohio.....	John G. W. Cowles, Cleveland
Pennsylvania.....	Joseph Wharton, Philadelphia
Rhode Island.....	Roland Hazard, Providence
Tennessee.....	E. C. Camp, Knoxville
Texas.....	S. D. Scudder, San Antonio
Virginia.....	William R. Trigg, Richmond
Wisconsin.....	M. B. Van Slyke, Madison

The delegations reported the following as the

#### COMMITTEE ON RESOLUTIONS

Alabama.....	H. C. Tompkins, Montgomery
Arkansas.....	H. L. Remmel, Little Rock
California.....	John P. Irish, Oakland
Connecticut.....	Joel A. Sperry, New Haven
District of Columbia.....	B. H. Warner, Washington
Georgia.....	Rufus B. Bullock, Atlanta
Iowa.....	Edwin A. Temple, Des Moines
Illinois.....	Franklin MacVeagh, Chicago
Indiana.....	H. H. Hanna, Indianapolis
Kentucky.....	Logan C. Murray, Louisville
Maine.....	Charles Libby, Portland
Maryland.....	John M. Nelson, Baltimore
Massachusetts.....	Henry L. Higginson, Boston
Michigan.....	N. A. Fletcher, Grand Rapids
Minnesota.....	W. B. Dean, St. Paul
Missouri.....	George E. Leighton, St. Louis
Mississippi.....	C. W. Robinson, Meridian
Montana.....	T. C. Power, Helena
New Jersey.....	Benjamin Atha, Newark
New York.....	William E. Dodge, New York
Ohio.....	M. E. Ingalls, Cincinnati
Pennsylvania.....	John C. Bullitt, Philadelphia
Tennessee.....	J. C. McReynolds, Nashville
Rhode Island.....	Roland Hazard, Providence
Texas.....	M. L. Crawford, Dallas
Virginia.....	S. W. Travers, Richmond
Wisconsin.....	F. H. Magdeburg, Milwaukee

Hon. Joseph H. Walker, Worcester, chairman of the Committee on Banking and Currency of the House of Representatives, was, on the motion of H. C. Williamson, Quincy, invited to address the convention.

#### MR. WALKER'S ADDRESS

"Mr. Chairman, Gentlemen of the Convention:"

"I suppose that the convention would be pleased to know the attitude which the Committee on Banking and Currency of the present congress has held toward this great question which you are met here to consider. There are before the committee several bills which have been prepared by members of the committee. There are others which have been referred to it by congress. But I wish to say to this convention that while I myself prepared a bill which is the result of many years' study, and other members of the committee have prepared bills, the fire awaits every one of them if this convention, or any individual, will prepare for us and send us a bill that will do what you desire, and what all right thinking and well instructed men desire should be done to correct the financial ills of the country. [Applause.] \* \* \*

"The determined efforts of the two great parties, as the gentleman from New York said to you, has but held us where we were. It is go forward, or go backward, and from the results of this convention, and that speedily, one way or the other. [Applause.] \* \* \*

"You know that the issuing of currency has come to be a very important function, of the first importance in banking; that the currency that the people will carry in their pockets, that is issued, lowers the rate of discount necessary to be charged. \* \* \*

"Now the profits on currency, you know, ought to be double in an eight per centum locality what they are in a four per centum locality, and twice and a half as much in a ten per centum locality. What were they in 1892 while the country was in its highest prosperity, as conceded by all? They were about one per centum in a four per centum locality; the half of one per centum in a six per centum locality; and nine mills and nine-tenths of a mill in an eight per centum locality; an actual loss of one and three-eighths per centum in a ten per centum locality. Do you blame them for complaining? Then again, the currency before the war in Virginia was \$10.67 ahead, lessening their rates of loan and discount by every dollar of currency they issued. What is it to-day? In Old Virginia to-day it is only \$1.14. In North Carolina the circulation before 1860 was \$5.79, and to-day it is but \$.44. In Georgia before the war it was \$6.33, and to day it is but \$.55. This bare statement damns the whole system to perdition. [Applause.] What are the advantages of a national system? We have a safe currency.

Aye, but a man's safety is in lying on his back by the side of the road rather than riding in a carriage. Does he want to lie there because it is safe? Is that all we want? Safety? Do we not have our bank examinations? They do not prevent failures, but there are a great many less because of them. Then we have the law as to reserves, which is intended not for conservative bankers, but for bankers all over the country, and especially for those who do not devote all their time to banking, and there the advantage of the national system ends. All of the others must be secured in our improved monetary system. Ah, but these tell us—we have heard it from this platform to-day, and we hear it everywhere—let the banks issue currency up to the par value of bonds and also take off the tax and we will give you all the currency you want. Well now, let us see. Suppose you did that when our bonds sell at a price paying two and a half per centum income at their normal price, the profits on the currency will be forty-four per centum more in a four per centum locality than in a six per centum locality; 174.35 per centum more than in an eight per centum locality, and 6555.55 per centum more than in a ten per centum locality. Do you want that kind of a banking system perpetuated? If you are going to do anything will you patch this old garment after it has been patched and patched until you can not tell the original, or will you conform our banking system to the banking systems of the world? \* \* \*

"I pause here to say that when we get elected to congress the thing most of us are looking after first of all is a re-election. That is what we care about. That is what we want. [Applause.] Now, if you will make us understand that we can not get back to congress unless we reform this currency we will do it, and not until then. [Applause.] Well, I do not usually mince matters, and I am not mincing them now. [Laughter.] Now, look at it a moment. Why, our system makes our banks first of all bond-speculators. Our bonds paid three per centum on their purchase price in 1881; we had three hundred and twelve millions of bank currency. When they paid 2.45 per centum—less than two and a half per centum—we had only one hundred and twenty-six millions. When we wanted least we had most. When we wanted most we had least. That is the inevitable effect of using bonds at all in a banking system. [Applause.] \* \* \*

"Now, let us examine for a moment the wastefulness of our public treasury. The government balances in France have only averaged \$34,419,301 in the last four years, those of England only \$21,756,097, while the money locked up in the United States Treasury averaged, in the ten years from 1882 to 1891, \$288,135,914. The people actually paid interest on this vast sum, taken out of them in taxation, to the amount of \$11,466,792 every year. This money was worth, in the pockets of the people, in the business of the people, an average of six per centum

per annum, which shows that they actually suffered a loss in interest on it of \$17,288,258 each year. \* \* \* Just as sure as you are sitting on these benches we are actually throwing away \$75,000,000 a year by this system that you have come here to relieve the people of now at once or to fasten the chains stronger upon their ankles.

"We have the highest authority for believing that our financial system would go to wreck at once, upon a certainty of war. \* \* \*

"The practical question for this convention to consider is what ought to be done to correct the evils made so clearly manifest? I answer we ought to be satisfied with nothing that does not relieve the treasury of the United States, absolutely and forever, from any responsibility for the "current redemption" of any form of paper money, and that at once. [Applause.]

"The July sun must not shine upon us until we have rescued the country from its peril. We must banish bonds from any connection with the monetary system. In the use of bonds the cost of the currency is never any two days alike, and can never be. They are always above or below par.

"Bankers must be allowed to manage the banking business of the country, as the farmer, the business of farming; the cotton manufacturers, the cotton business; the woolen, the woolen business; and as every other business is managed, and independent of the government, other than the supervision of the banks, as now.

"The national bank act must be made as liberal as it is possible to make it consistently with safe banking. No substantial relief can come in any other way. Scarcely any two banks in the country can be managed, in their details, exactly alike, or safely issue the same amount of currency. The very largest discretion must be given the comptroller of the currency.

"Some means must be devised to furnish to the country a board of supervisors of the whole national banking system, as in other countries, and that board, also, must have the widest discretion."

"The question, over and above what ought to be done, is what can be done under existing circumstances, and the answer to that, to my mind, is entirely clear. Nothing, absolutely nothing, until the business men and farmers, and all workers interested in a sound currency—in the prosperity of the country—bring a pressure to bear upon Congress that will compel a thorough reformation of the whole financial system. \* \* \*

"The legal tender notes can not be absolutely redeemed and destroyed, that is sure. An attempt was made to thus retire them under the act of April 12, 1866, which the people demanded should be repealed in January, 1869, when only \$59,000,000 were retired. It was attempted again in the act of January 14, 1875, which was repealed May 4, 1878, when only



\$35,000,000 were retired. In 1881 there was a bill passed known as the Carlisle refunding bill, and the outcry against that bill was so strong that the president was compelled to veto it. Neither can the ten per centum tax on state bank circulation be unconditionally repealed. While the legal tender notes, treasury notes and silver notes exist, that would mean chaos. \* \* \* It seems to me the only practical solution of the difficulty is to put the current redemption of the legal tender notes and of every form of currency proportionately upon the banks of the country, where it is in every other country. Then, in justice to them and to compensate them for the service, allow them to issue currency, against their assets, to an amount equal to or in excess of the amount of the legal tender notes they assume the current redemption of. Of course, that will be only a half reform, but it will be a half reform, and allow the banks in a ten per centum locality to make twice and a half what they do in a four per centum locality; and in a six per centum locality one and one-half times what they do in a four per centum locality, thus reducing the rates of interest to them. That probably is as far as we can now go. Having gone that far we must subsequently take up the United States notes and get them out of the way.

"Furthermore, the people will never consent to the use of any currency the payment of which is not fully guaranteed by the United States Treasury, in case of the insolvency of the bank that puts it in circulation.

"It has been proved by figures, carefully made, that a small tax of two mills per annum on the currency thus issued by banks against their assets, retaining the provisions of the present law as to the currency of banks having the first lien upon its assets, will fully compensate the government for any loss that could come to it by guaranteeing such notes." [Applause.] \* \* \*

#### FIRST DAY—EVENING SESSION.

On motion by Isidor Strauss, New York, John Harsen Rhoades, New York was invited to address the convention.

#### MR. RHOADES' ADDRESS

"Mr. Chairman and Gentlemen:

"The members of the Chamber of Commerce of the city of New York, through their delegation, send you fair greeting and extend to you the right hand of fellowship. They are thoroughly in accord with the objects of this convention and hail with delight this first organized movement to secure uniformity of action looking towards the solution of the vexed problem as to what shall constitute a proper monetary system for the country, a problem which, for the past eighteen years, has

disturbed the nation and brought distrust and loss to every branch of business. They do not ask to lead, but they do ask that you shall open a path which, overcoming the perplexities of the way, will point to a solution permanent in its character and founded upon the natural laws of trade and finance. Along such a path you will find no more enthusiastic followers than the merchants and bankers of the city we represent.

"The situation which confronts the country is most grave. Years of bad method, unwise legislation and unsound theory have brought us to the verge of repudiation, injured our credit and paralyzed our commerce. If the evil tendencies of the day are not checked, if the unsound methods of finance now in operation are not stopped, if the country is allowed much longer to hold its course at variance with every known law of trade and finance, in our judgment the day is not far distant when the penalty must be paid with disaster and ruin, both before and after we have been tossed upon a wild sea of repudiation and speculation.

"It is sheer madness to suppose that we can overthrow those methods of finance which the experience of the civilized world have proved to be the best and most secure for the purposes of commerce and the use of the people, and set up for ourselves a standard at variance with that which has proved the best, and in direct conflict with the moral law which governs the universe.

"To-day the rapid exchange of commodities between nation and nation compels each and all to so arrange their monetary systems as to work in harmony one with the other, or to force those who, from choice or necessity, adopt inferior standards to deal at a disadvantage and serious loss with their competing neighbors.

"What the country needs and must have, if it is to continue to enjoy the marvelous prosperity which has crowned its efforts in the past, is stability of all kinds—a stable government, stable revenues, stable currency, a stable law, stable justice, credit of the best, power to trade with all the nations of the world on an equality. We need expanding markets for our products at home and abroad—power to create, build up and maintain ever widening industries within ourselves, power to find and make a market for these industries everywhere, and the foundation stone on which must rest this structure of national wealth and prosperity, and, indeed, upon which must rest the safety of the state itself, is a broad, wisely-conceived and solid monetary system, which, while securing facility for the interchange of commerce within ourselves and giving to all property, real and personal, a fixed and substantial value, shall also give to us unlimited credit among the nations of the earth and attract to us for the purposes of trade and development the surplus capital of the world.

"If the foundation for such a structure be laid by this con-

vention then, indeed, have the people of the land cause to rejoice; then will it come to pass that the wheels of commerce will move with renewed energy, the credit to which we are entitled be speedily re-established, prosperity will dawn afresh, and comfort and thrift find their way into the humble home of every honest toiler in the land.

"But, gentlemen, the perplexities of the solution are many and grave. When the Supreme Court of the United States gave to congress the right, under the constitution, to issue fiat money our troubles began, and from that day to this, through green-back craze and free coinage of silver, we have been sowing the seeds of dishonor and repudiation, building castles in the air and chasing the false lights which ignorance, selfishness and greed have placed upon every highway in the country to lure us to destruction.

"Either the government must retire from the issue of currency obligations, which it should do, by a slow process, to be sure, so as to avoid the shock which speedy change would bring, or, first providing ample revenue for its current expenses, it should, at least for the time being, apply the rules of banking to such issues and be prepared at all times to protect them at any and every cost. It has no right to force its promises to pay upon the country and then leave these obligations to drift without anchor or compass. It has no right to disturb the laws of trade and paralyze our commerce through failure to provide a currency which shall be thoroughly stable in character and equal to the best in the civilized world. If it proposes to do this portion of the banking for the nation it must do it thoroughly and well, and provide means to make and keep its currency obligations at all times on a parity with and equal to gold.

"If the banks of the country, given the power to supply currency for circulation in place of the government, followed any other course than this, the government would have the right to intervene and compel such obligations as might be issued by them to be kept safe and sound and redeemable at all times in gold; and if it is the duty of the government to do this (which it undoubtedly is), what moral or legal right has the government itself to surround its own obligations with less security? Nay! How much more incumbent it is upon those who govern the nation to make the obligations of the government as solid as a rock, and as good as the best. If, therefore, they are to provide the currency of the country, let it be done properly and securely, and on no other basis.

"I see no reason, and I can not understand why any of the government issues, including the silver certificates, should be redeemable on any other basis than a gold basis, or why there should be in circulation legal tender and treasury note, gold and silver certificate, when, in place of the same there could be issued one uniform coin certificate, which certificate, if properly

protected by at least a 25 per cent. gold reserve in the treasury, with power given to the officers of the government to maintain such reserve by purchase of gold, either with cash or short time obligations, whenever it was threatened or became depleted, would give to the nation a currency circulation at least consistent and sound. The dignity of the nation demands that all government issues should be kept at this high standard, holding both silver and gold in the treasury as a reserve to maintain such standard.

"Establish this principle and you bring back at once the credit of the nation to its highest and best level, and not only this, but you give the key-note to all credit on the part of the people, and make it easy for the government to always maintain its entire issue of currency obligations upon a gold standard.

"Supplement some such action as this with a carefully drawn, wisely conceived banking law, which will give elasticity to the volume of bank currency in circulation, making such circulation redeemable in gold, or its full equivalent, and compelling a portion of the bank reserve to be held in gold, and, in my judgment, time will so prove the absolute safety of bank circulation as to make the people not only willing and anxious to have the government issues replaced by bank issues, but lead them to insist upon a return of the government to its proper functions of coining gold and silver, thus removing forever the danger which will always surround the exercise, on the part of the government, of its so-called right to issue credit obligations in the name of money.

"The sooner the fact is recognized throughout the entire country that gold and silver are merchandise, and nothing more, and that by the natural laws of trade they will flow easily and quickly to that market where they are wanted and will command the highest price, the better it will be for our currency and the better it will be for our prosperity.

"You can not force or make two articles of merchandise of a different value sell at a parity, when the market price of either is constantly fluctuating, and when these articles of merchandise are used to represent the standard of value upon which all trade obligations and all real property rest; in order to have stability, you must adjust the use of the baser to that which has the greater value. As the needle points to the pole and guides the ships of commerce as they sail from port to port, so must the standard of value by which the barter of the world is adjusted, from the beggar who buys a crust of bread with a coin given in charity, to the richest nation which spends its thousand millions annually to support its government, be made as nearly unchangeable as possible, always pointing true, as points the needle to the pole. Gold has its uses, and so has silver, and silver will continue to have its use, not only in arts, but in the coinage of the world; but the civilized world will never consent that

it shall be so used as to destroy the equilibrium of the balance or to give a false weight by which all value shall be weighed.

"But, sir, I am treading on dangerous ground and am ill-fitted to solve so serious a monetary problem as now confronts the nation.

"So far as I personally, am concerned, as representing, in a measure, the interests of the savings banks in the state of New York, I feel deeply moved and seriously disturbed over the monetary conditions now existing. There are now on deposit in the savings banks of the state of New York about seven hundred millions of dollars, which, together with the deposits in the savings banks of the eastern states and Pennsylvania, make a total deposit in the savings banks of these states of at least one thousand and five hundred millions of dollars, while the surplus held by these banks to secure their depositors over and above the investments so held aggregates at least one hundred and fifty millions of dollars. The number of depositors in the state of New York is about one million seven hundred thousand; including the states named, over three millions in all.

"In this state and throughout the eastern states, the institutions for the savings of the people are purely eleemosynary in their character. They have no capital. The whole of their profits accrues to the benefit of their depositors. They have no interests to serve but the interests of the people at large. They are under the close supervision of the state authorities, while their investments are strictly limited in character to the most secure which can be found; in fact, the moneys so deposited constitute a sacred trust, being largely the savings of the thrifty working classes.

"The laws of nearly all the eastern states forbid the paying of interest on deposits in excess of five thousand dollars; in New York, in excess of three thousand dollars; and in Massachusetts the limit is one thousand six hundred dollars. Millions of this money have been deposited to keep "the wolf from the door" in days of adversity and hard times; other millions have been deposited to pay for medicine and food and to cover the cost of burial when sickness and death come; other millions have been deposited that the widow and the orphan may have bread to eat and a roof to cover their heads.

"What would the depositors do with this vast sum of money if it were lodged in the pockets of each? In the state I represent three hundred and fifty millions of dollars and over are invested in mortgage on real estate, and every dollar of this sum has contributed its share towards the payment of the laborer and mechanic, who have built this vast sum of material wealth. Millions are loaned to the government of the United States to aid in its support and the carrying of its debt. Millions are loaned to states, cities, counties, towns and villages for public improvement, every dollar of which has been paid out to the

mechanic and laborer for their work and gone to the support of millions of the thrifty workers in the land.

"This savings bank system, in my judgment, should be extended to every state in the Union, and, if so extended, it would form a nucleus for the gathering together of the thrift of the nation, which, in time, would add enormously to the wealth of the people and aid largely in the development of the country. But the people who make these deposits are often ignorant, easily alarmed, and, when frightened, act on the impulse of the moment in withdrawing their deposits; therefore, it becomes of the greatest importance that the currency of the country should be of the best, thoroughly stable in its character. The interests of the working classes demand this—their security rests upon this—their prosperity requires it—and they are, above all others, entitled to it. Break down the barriers of security—dilute your currency with fiat issues, or lower its standard of value below that recognized by the civilized nations of the world—and you will strike at the producers of all wealth, impoverish the nation, and injure the sources from which all wealth springs.

"This is why we, who are the guardians of the savings of the people, ask, in their name, that the currency which is given to them in payment for honest toil, honestly rendered and honestly cared for, shall be the best, and, at all times, equal in value to the best coined by any nation in the world.

"That this convention will, by its action taken here, succeed in suggesting remedies and formulate a plan to which we can all agree, I have great confidence; therefore, I take courage and indulge in the hope and expectation that, having found the way, Congress and the people will give it a ready ear and prompt and speedy action.

"But, sir, there is another matter, in respect to which I think the time has come when the Chamber of Commerce of New York may, with dignity to itself, venture to refer. Much has been said in the past about the hostility of the east towards other sections of the country, especially in connection with the monetary problems of the day, and our action has been ascribed to selfishness, greed, lack of patriotism and a desire to profit at the cost of our fellow-countrymen.

"I desire now, and here, to state, with all the emphasis I can command, that such aspersions upon New York and her sister cities of the east are erroneous in their character, unsubstantiated by evidence, and false in every respect. Not a selfish motive, not an improper desire, not an unkind thought, not a suspicion of dislike has ever been entertained by either the bankers, the merchants, or the people of the eastern states toward their fellow-countrymen anywhere. What cause for hostility can exist? Are we not all citizens of one country, lovers of one flag, brothers bound together by the closest ties of race and kindred, with one

common aim and one common interest, and that to create, develop, maintain and perpetuate a civilization which will bring comfort and happiness to our homes, and honor and dignity to our nation? If you suffer, we suffer. If you are prosperous, we are prosperous. If disaster befalls us, it reaches your homes, and every loss you sustain affects us. Has New York not done her part to sustain the credit of the nation and help you in the day of mercantile depression and disaster? Have you ever called upon her when she did not heed the call? Do you forget the days of 1873 or 1893—aye! the days of 1896? What has she done for which she should be judged at fault? She tried, and tried successfully, once, twice—nay! thrice—to prevent the country drifting upon a silver basis. Was it selfishness, or was it self-preservation, in which you were the sharers? The east believes in honest money and a sound currency. Do you not believe the same? Her prosperity rests upon the prosperity of the nation. Will you not have it so? Trust her, as she is willing to trust you. Heed not the voice of the demagogue and the destroyer of the peace of the nation, but heed the voice of those who have the welfare of the nation as deeply at heart as you have, and those whose hearts beat true to every interest which best serves the interest of all, and those who do not know, and never have known, any north, or south, or east, or west, but do know, and have known, and will help with you to maintain one country, one flag, one destiny."

#### RESOLUTIONS OFFERED

The chairman having announced that the regular order of business was the introduction of resolutions for reference to the Committee on Resolutions,

H. F. DOUSMAN, on behalf of the delegates from Chicago, offered the following:

"Resolved, by the Senate and House of Representatives of the United States of America, in Congress assembled:

"1. That a committee of nine persons shall be constituted who shall be known as a Monetary Commission, and who shall be appointed by the president within thirty days after the adoption of this resolution.

"2. The president shall choose one member of the said Monetary Commission from among the members of the Senate Committee on Finance and one from among the members of the Committee on Banking and Currency of the House of Representatives. Of the other seven members of said Monetary Commission three shall be bankers of recognized experience and ability, three shall be merchants or manufacturers of recognized standing, experience and ability, and the remaining member of said Monetary Commission shall be selected on account of his

recognized ability and learning in the science of political economy.

"3. Four of the members of said Monetary Commission, including the member to be chosen from the Senate Committee on Finance and the member to be chosen from the Committee on Banking and Currency of the House of Representatives, shall be selected as from the country at large; one shall be selected from the eastern and middle states; one from the southern states; one from the states west of New York, north of the Ohio river and east of the Mississippi river; one from the states west of the Mississippi river and east of the Rocky mountains, and one from the states west of the Rocky mountains. In no event shall more than five members of said Monetary Commission be members of or belong to the same political party.

"Nor shall any of the members of said Monetary Commission so appointed by the president be a person holding any office under the United States government, except the members hereinbefore directed to be chosen from the Senate Committee on Finance, and from the Committee on Banking and Currency of the House of Representatives.

"4. It shall thereupon be the duty of said Monetary Commission, as soon as it may be possible after the constitution and appointment thereof in the manner aforesaid, to enter upon a thorough and comprehensive consideration of the currency and banking affairs of the United States and the laws relating thereto, not only in their relation to the powers and general interest of the government, but also in their relation to the business affairs and industrial conditions of the country. And they shall make to the congress of the United States not later than January 1, 1898, a concise and exact report of their deliberations, conclusions and recommendations covering the subject-matter considered by them, accompanying the said report with the proper bill or bills designated to carry their recommendations into effect.

"5. Said Monetary Commission shall meet and hold its sessions in the City of Washington in appropriate rooms to be provided by the secretary of the treasury for that purpose, and each member of said Monetary Commission, except the member of the Senate Committee on Finance and the member of the Committee on Banking and Currency of the House of Representatives shall be paid the sum of \$—— for their services as members of such Monetary Commission; but the members of the said committees of the Senate and House of Representatives shall not receive anything in addition to the salaries now allowed them by law as members of congress, for their services as members of such Monetary Commission.

"6. The sum of \$——, or as much thereof as may be necessary, is hereby appropriated for the purpose of defraying the proper expenses of said Monetary Commission; and the secre-

tary of the treasury is hereby authorized and directed to pay the same, upon proper vouchers, out of any funds not otherwise appropriated."

On request of E. B. Martindale, Indianapolis, the secretary read part of a paper by

E. F. CLAYPOOL, one of the Indianapolis delegates. The author reviewed the history of the unsuccessful stock banks of the middle of the century and of the state banks. He expressed the opinion that the treasury notes and the gold and silver certificates should be gradually retired from circulation, an adequate currency being provided in their place. The continuance of the issue of paper currency by the government was deprecated. The opinion was expressed by Mr. Claypool that no better plan for banks of issue has been devised than that of our national banking system.

He said in part:

"I am of opinion that the better plan is that congress should devise ways and means by providing a special issue of bonds or certificates, for the exclusive purpose of the national banks, to be used by them as security for their circulation in an amount sufficient to retire the outstanding treasury notes, the gold and silver certificates, and for exchanging for and discharging (on an equitable basis) the bonds now held by the comptroller of the currency as security for national bank circulation and for an additional issue, as may be deemed necessary to meet business requirements, such bonds or certificates to bear interest not exceeding  $2\frac{1}{2}$  per cent. per annum, to run, say fifty years, and to be delivered to the banks at their par value upon demand therefor, in treasury notes, gold or silver certificates, and simultaneously therewith, deliver to the bank in exchange therefor notes for their circulation to the full par value of such bonds or certificates, and require that the amount of their circulation shall not be less than 75 per cent. of the amount of their capital stock. The rate of interest to be paid on the bonds being a low one, the banks should be relieved from the tax on their circulation and be charged only for the expense incurred by the government in their behalf. \* \* \* Duties on imports then being payable in gold, and being fixed at a sufficient amount to meet the annual expenditures of the government, there would be no further issue of bonds on that score.

"By taking up the treasury notes, gold and silver certificates, in the manner suggested, the public debt will not be increased, but changed in character to one much less expensive to care for, and that debt, to a large extent, held by our own people in the form of national bank notes. \* \* \* In localities where three or more banks exist clearing-house associations should be organized and for their government a code of rules adopted so as to place them in harmony with the comptroller of the currency.

"Especially on the questions of circulation and certificates

as hereafter mentioned, where no such association can be established, the banks should be under control of the comptroller in those matters. The clearing house associations and banks, as stated, should be privileged by and with the consent of the comptroller, at times when; in his judgment, the necessities of the case justify, to issue certificates of indebtedness. Such certificates should bear interest at the rate of six per cent. per annum, and be payable sixty days after date of their issue, to an amount not exceeding 50 per cent. of the capital stock of the bank issuing them, and they should be a first lien on the capital stock until the date of their maturity. The certificates should be prepared by the government, and ready to be furnished to the banks at any time by the comptroller. They should conform, in general appearance, to that of the currency of the banks, and be of denominations convenient for the purposes for which they are designed. They should be signed by the president and cashier of the bank issuing them, and countersigned by the registrar of the United States treasury. When paid out, they should be duly stamped, giving date of issue, time due, and the amount, including interest, at maturity. And, until the date of their maturity, they should be non-redeemable, and the banks should be authorized to pay them out the same as the notes of other banks in payment of their indebtedness, and they should be receivable the same as ordinary bank notes for payment of all private debts, except when otherwise provided. After the certificates become due, their functions, as currency, should cease, and then become as ordinary certificates of deposit.

"Now, in the interest of both the banks and their depositors, I offer the following suggestions: That, in the event of a run upon a bank by its depositors (which often occurs without reasonable cause or excuse, and when the bank is perfectly solvent) an act should be provided, granting it, say ten days' of grace, to meet its liabilities, the same principle as that now extended to savings banks. " \* \* \* \* \*

C. N. CHADWICK, Brooklyn, offered a resolution:

"That the Committee on Resolutions take into consideration the advisability of incorporating the principle of the Scottish branch banks into the national bank system."

In support of his resolution Mr. Chadwick said:

"I will state, Mr. Chairman, that the Scottish banking system is composed of ten banks and one thousand branches. Each branch is at liberty to issue money redeemable in the central bank. This system is found to work admirably, for in a time when there is any special call in any one direction all the money can be drawn in from the other sources and expended to meet the condition arising at that particular point. There is another feature involved in this system, and that is the cash credit. A

young man of character and ability known to possess those qualifications, with the endorsement of himself and one or two others, can secure a line of credit. The money of the community is then used wisely to help a particular individual and develop a particular industry. It is found to work splendidly in that country. That also is the Canadian system, with forty or fifty branch banks. Drawing from Halifax and the maritime towns, where money is easy and the rate of interest is low, money can be carried into Vancouver and Manitoba, and industries in the northwest developed. It means elasticity in the currency. Now, we must take into consideration the fact that when Mr. Bryan leapt into view at the Chicago convention on the platform of sixteen to one, he promised to solve the problem, and immediately the people endorsed it all over the country. But soon they found the fallacy of that proposition. The feeling of unrest and dissatisfaction that existed then exists to-day, and we must meet it fairly and squarely. The farmer living in the far west and in the northwest, and in the south, and in Texas wants some money at the same rate of interest that I borrow money in Brooklyn. It would make money easy, the currency elastic, and enable the maximum amount of business to be done with a minimum amount of capital. That is the reason I offered it."

E. W. PEET, St. Paul, offered a resolution previously adopted by the St. Paul Chamber of Commerce, in favor of the gold standard, the ultimate retirement of the government from the banking business, the avoidance of contraction of the volume and impairment of the quality of our currency, the establishment of branches of the national banks, the reduction of the minimum of the capital of national banks to \$25,000 or less in small communities, and the issuance of national bank currency to the par value of the bonds securing it.

GEORGE G. TANNER, Indianapolis, offered a resolution in favor of the retirement of the government from the banking business, the refunding of the national debt by long time gold bonds, the retirement of the greenbacks and treasury notes as rapidly as they can be replaced by national bank notes or other sound currency, a more elastic national bank currency, more thorough examination of national banks, to be paid for by the government from the proceeds of a special tax on the banks for that purpose, severe penalties on national bank directors for neglect of duty, the circulation of no notes smaller than ten dollars, and a committee appointed by the chairman to present the resolution to congress.

H. H. HANNA, Indianapolis, offered the following resolution:

"With the object of collecting and utilizing the greatest attainable information about the operation of the monetary system of this country for the discovery of any curable evils, to the end that efficacious remedies therefor may be devised and applied,

"Be it resolved and ordained by the monetary convention, held at Indianapolis, that a commission, to be named and called

the Monetary Commission, be and hereby is created and established, to be constituted and governed as provided in the following articles:

"Article 1. The commission shall consist of eleven members, to be named in the first instance by the nominating committee appointed by this convention. The executive committee shall have power to fill vacancies in the commission as they may occur.

"Article 2. The first meeting of this commission shall be held at a time and place to be designated by the executive committee of this convention in a call to be issued therefor; and, at such meeting, the commission shall organize by the election of such officers and the adoption of such rules and by-laws for its own government as may be agreed by a majority of its members; and, thereafter, it shall be governed by such rules and by-laws, subject to these articles.

"Article 3. All rules and by-laws of the commission and all its proceedings shall be directed toward the accomplishment of the object of its creation, which is to make a thorough investigation of the monetary affairs and needs of this country, in all relations and aspects, and to make appropriate suggestions as to any evils found to exist and the remedies therefor; and no limit is placed upon the scope of such inquiry, or the manner of conducting the same, excepting only that the expenses thereof shall not exceed the sums set apart for such purpose by the Executive Committee.

"Article 4. The Executive Committee of this convention shall use so much of the voluntary contributions made to it as may be available for that purpose to defray all necessary expenses of the commission and shall notify the commission from time to time of the amount so available, in order that it may regulate its expenditures accordingly, and no liability shall attach to said committee or to this convention beyond the amount so notified.

"Article 5. When the labors of the commission have been completed, as far as practicable, the Executive Committee shall issue a call to bring this convention together again at a time and place designated in such call, and at the meeting so convened the commission shall make a report of its doings and suggestions in such manner and form as it shall deem best adapted to present the same to this convention and its members for action, and if legislation is deemed advisable, shall accompany such report with a draft of such bill or bills, providing for such legislation. And be it further

"Resolved, That a nominating committee of seven members of this convention be now appointed by the chairman of this convention to name the members of the commission created by the foregoing resolution, which commission shall be deemed to exist from and after this day until it shall make report as above provided, and be discharged. And be it further

"Resolved, That fifteen members of this convention be appointed to act as an executive committee while this convention is not in session, to be named and reported to this convention by the Nominating Committee aforesaid. The Executive Committee shall have the power to increase its membership to any number not exceeding forty-five, and five members thereof shall at all times constitute a quorum of said committee. The Executive Committee shall further the purpose of this convention and obtain and furnish to said commission all the information attainable and aid said commission in every way as may seem best, and shall have special charge of the solicitation, receipt and disbursement of contributions voluntarily to be made for all purposes, and shall also have power to call this convention together again when and where it may seem best to said committee to do so. And said Executive Committee shall continue in office, with power to fill vacancies, until discharged at a future meeting of this convention."

JOHN P. IRISH, Oakland, offered a resolution adopted by the Executive Council of the California Bankers' Association in favor of the continuance of the gold standard and of the use only of so much silver and governmental paper as will not throw upon the government at any time the burden of redemption to maintain a parity. Mr. Irish also submitted a paper by Frank Miller, manager of the D. O. Mills Bank, of Sacramento.

EUGENE LEVERING, on behalf of the Baltimore delegation, submitted a resolution in favor of a congressional declaration of intention to maintain the gold standard, the redemption and cancellation of all United States legal tender notes, and the simultaneous creation of a bank currency on the basis of the Baltimore plan.

S. D. SCUDDER, San Antonio, offered a resolution in favor of the establishment of a system of postal savings banks in connection with the post-office:

"To the end that the small savings of thousands of our fellow-citizens may be properly cared for and be subject to call; to the end that our people may be educated to thrift, and encouraged in economy; to the end that thousands of dollars, now hoarded or hidden away, may thus be coaxed into the legitimate channels of trade; to the end that the people of small holdings may thus become financially interested in their own government; and finally, to the end that, having saved sums sufficient to invest later on in the interest-bearing bonds of a popular loan, this nation, like other stable nations of the world, may become largely its own creditor."

IRVIN B. TIEDEMAN, Savannah, offered a resolution in favor of the retirement of the greenbacks and treasury notes, the repeal of the present national bank act, the repeal of the ten per centum tax on state bank note issues, and permission to all banks of not less than \$50,000 capital, excepting savings and private banks, to issue circulating notes to the amount of their unimpaired capital, subject

to government supervision and to other safeguards similar to those of the Baltimore plan.

JOSEPH S. WOOD, Mount Vernon, offered a resolution in favor of the gold standard, repudiation of international bimetallism as impracticable, the restriction of the legal tender quality of silver dollars to payments of not more than twenty dollars, the exchangeability of silver dollars and silver certificates and greenbacks and treasury notes in sums of one hundred dollars or multiples thereof for coupon bonds payable in forty years with interest quarterly at the rate of two and a half per centum per annum, the convertibility of these bonds into a new government currency reconvertible into the bonds, and the sale of the government's silver bullion at the discretion of the secretary of the treasury within the next five years. In support of his resolution,

Mr. Wood said:

"Mr. President, I simply want to point out this: that we want not only to rid the United States government of the responsibility of maintaining the gold standard, but we want to maintain the gold standard. Now, how are we going to do that? Are we going to hand over the responsibility to the banks of the United States and expect them to do it? If we do, let us consider whether the banks of the United States are as able to do it as the government of the United States. Let us consider whether they will perform their duty as well as the government of the United States. The banks of the United States have about two hundred million dollars of national bank notes in circulation. If the greenbacks and the treasury notes issued under the Sherman act should be converted into national bank notes, as they would be if the United States treasury notes and the greenbacks under the Sherman bill were taken out of the currency, we would have seven hundred million dollars of national bank notes in circulation. The question is, can the national banks maintain on a gold basis seven hundred millions of their demand obligations, as well as the national government can maintain five hundred millions of dollars of such demand obligations on the gold basis. That is the question which I think we ought to consider carefully. We want to rid the United States government of the responsible duty of maintaining the gold standard for five hundred and fifty million dollars of demand notes; but we do not want to put that responsibility in the hands of any set of men who can not maintain it. I think it is very doubtful, indeed, if the banks of the United States could take the responsibility on their shoulders of maintaining the gold standard. They would not only have the seven hundred million dollars of note obligations, but they would have eighteen hundred millions of deposits on their hands as well. The bank notes would have to be payable in gold. We should not think, as many do, as I see from what has been said here, that the issue of bank notes and banking are things which necessarily go to-



gether. We talk about bank issues and bank notes as part of a banking business; but those who make a study of banking know that the bank deposit is as much a department as a bank issue. The bank note department of the Bank of England has one set of securities by itself, has one fund; the deposit department has another fund by itself, and the one can not be interfered with by the other."

M. L. CRAWFORD, Dallas, offered a resolution embodying the following plan:

"1. Provide by law for the conversion of all government bonds now outstanding and bearing four per cent. interest, into fifty year bonds bearing interest at a rate not to exceed two per cent.

"2. Require every bank to have not less than one-half, one-third or one-fourth of its capital invested in these bonds, and to issue and keep outstanding its bills equal in amount to the face value of the bonds so held.

"3. Repeal the tax of one per cent. on circulation and substitute a tax of one-fourth of one per cent.

"4. Repeal the law requiring a deposit of five per cent. of the circulation with the treasurer as a redemption fund.

"5. No bill should be issued of a smaller denomination than five dollars, and all bills should be redeemable in gold at the bank of issue."

R. J. LOWRY, Atlanta, offered a resolution prepared by G. R. Dessaure, Atlanta, favoring the retirement of the government from the banking business, the retirement of the greenbacks and treasury notes, the irresponsibility of the government for the redemption of circulating notes, and the issue through state banks of any paper currency authorized by congress.

JOSEPH WHARTON, Philadelphia, offered a resolution that

"This convention is not in favor of any project for withdrawing and canceling the existing government issues of paper currency which would either diminish the total volume of currency of all sorts now outstanding or replace any part thereof by currency less deserving of public confidence."

In support of his resolution, Mr. Wharton said:

"Mr. President and Gentlemen of the Convention: We have heard to-night several times, and we have heard also this morning, remarks about the propriety of taking the government out of the banking business. We have seen the same thing frequently in the newspapers for the last several months, that the government must be taken out of the banking business. I think very likely the gentlemen who have made that statement have not considered that question fully, and have not considered how great a task that would be. The entire capital of the national banks of this county is about six hundred and fifty million dollars. Banks are allowed to issue currency in proportion to their capital, but on a sliding scale, the small banks having one ratio

and the larger ones a smaller, until we get to the very large banks, which have a right to issue but two-thirds. Taking them collectively the banks have a right to issue currency up to three-fourths of their capital. That would enable them to issue four hundred and eighty millions in all, of which they have now out two hundred and eleven millions. That would leave them two hundred and sixty millions of dollars or thereabout as the utmost amount that the banks can now expand their currency to. But on the other hand the notes to be withdrawn come to over eight hundred millions. It is, therefore, absolutely impossible for the national banks, as they now stand, to put out bank notes enough to enable the country to have a volume of currency equal to what it now has if the government is to be taken out of the banking business. Now, if we assume that banks can be created to fill that gap we find that it will require additional banking capital to be invested in this country to the extent of eight hundred millions of dollars. Eight hundred million dollars of new capital. Does any gentleman believe that this country is prepared to put up eight hundred millions of dollars new capital in the banking business? I think it is impossible. It may be dismissed. Look abroad over the land and ascertain what the opinion of the people is; what the opinion of the people over the land is as to the propriety of forcing the government to pay fifteen or twenty million dollars annually for putting out currency which the government now has out at no cost. I think it is very doubtful whether the country will support any such a proposition. And then again it is lightly spoken of as a thing that the government has no particular duty about. It is the duty of the government to supply the country with currency. It is one of the most imperative duties the government owes its people. The government is bound to supply sufficient and good and stable and uniform currency. It may do that directly by issuing its own notes. It may do it indirectly by establishing any kind of an intermediary; but the government can not shirk the duty of supplying this country with a sufficient quantity of currency—stable, good, redeemable in gold, and with every other good quality. The thing must be done and the government can not shirk that duty. Now, I do not believe for one that this convention has the power to put upon the country any scheme that will involve what seems to me this absurdity. I think this convention would nullify in great part its own usefulness; it would not have the standing and credit before the country it deserves if it gives its character and its indorsement to this scheme of taking the government out of the banking business. It is a business the government is in; it is a business it ought to be in in my judgment, and I do not believe the public will permit the government to shirk what I believe is its plain duty. I only offer that in order that the Committee on Resolutions, when they come to consider the whole question, and



the convention, when they come to consider the whole question, will bear in mind that danger, and that neither the committee nor the convention will commit themselves to something that the country will not sustain." [Applause.]

WILLIAM R. TRIGG, Richmond, offered a resolution in favor of the repeal of the ten per centum tax on state bank notes.

S. W. TRAVERS, Richmond, submitted a statement made by William L. Royal, Richmond, concerning state banking systems before the Committee on Banking and Currency of the House of Representatives.

CHARLES N. FOWLER, Elizabeth, offered a resolution that,

"A permanent executive committee be appointed to confer and co-operate with the Banking and Currency Committee of the House and the Finance Committee of the Senate for the purpose of securing some financial legislation during the extra session of congress, and that said committee shall be constituted as follows, to wit: each state here represented shall select one member of said committee."

A. A. SPRAGUE, on behalf of the Commercial Club of Chicago, offered a resolution in favor of the retirement of the government, at the earliest practicable date, from the banking business.

DENISON B. SMITH, on behalf of the Toledo Produce Exchange, offered a resolution in favor of a system which will gradually relieve the government from all its outstanding demand notes and its banking features under such conditions as will furnish ample opportunity to supply the place of the retired notes.

Mr. Smith also submitted a paper in which he urged such amendment of the national banking act as would permit the issue of notes to the amount of the par of the bonds, would favor the establishment of branch banks and would reduce the tax on circulation. He proposed

"the issue of two per centum interest bonds in sums of \$50 and under, redeemable in twenty years and at shorter dates, depending upon the resources of the government. These bonds will at once perform a dual function. They will become popular with all people as a substitute for the greenback circulation, and form a cheaper and just as solvent a basis for the national bank circulation. As a feeble effort towards redemption, I would cancel the denominations of silver certificates under \$10, and thus provide a wider field for the circulation of silver dollars."

EUGENE PRINGLE, Jackson, offered a resolution that,

"Earnest efforts should be made to devise and formulate a plan by which state banks, having ample capital, efficiently supervised, depositing securities, and redeeming in great commercial cities, may be safely excepted from the United States tax upon the circulation of that class of banks."

In support of his resolution, Mr. Pringle said, in part:

"A very large share of the banking capital of this country is invested in our state banks. Many of them are good institu-

tions. Many of them will compare in every respect, except advantages under the United States banking law, with the national banks. If any plan can be devised by which they can be safely trusted, it will be better to engage that agency in the matter, and do away with the objection which I hear coming from Georgia and Pennsylvania and other places. We ought to have all the help we can get in the direction in which we are advising that our government shall go. \* \* \* And then, again, I noticed in the statement of the gentleman from Georgia there is the idea of extending to the state banks the privilege that they exercised for one hundred years, or nearly one hundred years, on this continent, of issuing bank bills, which was substantially taken away from them by the United States law. If this can be restored to them, if, as has been said in one or two papers, the state government can better judge when and where a bank is necessary, it will be a privilege prized in Georgia, prized in Michigan, and I believe prized in every state in the Union."

E. V. SMALLEY, St. Paul, offered a resolution that,

"This convention heartily endorses the movement for the formation of a non-partisan National Sound Money League, already begun in the principal cities of the country, for the further enlightenment of public opinion on the currency problem, and in support of such legislation as will insure to the country permanent exemption from business disturbances and depressions by the establishment of a sound monetary system."

## SECOND DAY—MORNING SESSION

A telegram was read from A. J. Corcoran, president, as follows: "At late hour our delegation from Jersey City find it impossible to attend. Jersey City Board of Trade expresses its entire sympathy with the objects of the convention, and will stand with you in the fight for sound money, commercial honesty and the national honor."

## CONTINUATION OF THE OFFER OF RESOLUTIONS

F. H. MAGDEBURG, on behalf of the Chamber of Commerce of Milwaukee, offered the following resolutions:

"Resolved, That we demand from the Congress of the United States the immediate enactment of a law which shall provide for the funding of the entire demand debt of the United States into long-time, low interest-bearing gold bonds, said demand debt to be liquidated at the rate of ——— millions per month, under the direction of the secretary of the treasury, until entirely wiped out.

"Resolved, That we demand that the national banking act be at once so amended that it will enable existing banks and

such as will be hereafter created thereunder to supply the deficiency in the circulating medium of the country caused by the retirement of the demand obligations of the government referred to in resolution number one and to further enable such banks to supply the ever-recurring periodical call for more money when the crops of the country have to be moved.

"Resolved, That experience has shown that the present provisions relating to violation of the national bank act are entirely inadequate. We, therefore, demand the immediate amendment of this law, making it more effective and stringent in its provisions relating to such violations."

Mr. Magdeburg also offered resolutions providing for a committee whose duty it should be to draft bills and present them to the organizations represented in the convention and providing for the expenses of such committee.

W. C. LITTLE, St. Louis, through E. O. Stanard, St. Louis, presented an argument and a plan for currency reform providing for the funding of all outstanding legal tenders and coin notes into long-time interest-bearing bonds and the issuance of bank currency based thereon.

ALBERT J. PERRY, Galesburg, offered a resolution for the appointment by the convention of a committee of one from each state to urge upon congress legislation for the establishment of a non-partisan finance commission, and for the gradual retirement of all forms of government paper money.

The chairman then announced that the following documents had been received and would be referred to the Committee on Resolutions without reading:

"A Complete Revision of All National Coinage, Currency and Banking Laws, a Business and a Political Necessity," by Allen Ripley Foote, editor American Exporter.

"A Copy of a Communication to the Editor of the Banking Law Journal," by M. B. Van Slyke, of Madison, Wisconsin.

"An Argument in Favor of House Bill No. 2699, a Bill to Secure a Uniform Bank Note Circulation and to Provide for the Redemption Thereof," by R. B. Ferris, of New York City.

"General Features of My Proposed Policy Providing a Flexible Currency that Will Expand and Contract in Volume, in Exact Accordance with the Actual Demands of Business, at All Times and in Every Section of the Country, Without Affecting the Volume of Circulation in Any Other Section," by E. C. Gridley, of Duluth, Minnesota.

"The Universal Standard Dollar and International Bimetallism," by "An American."

"Suggestion Towards a Revision of the United States Monetary System that Would Not Cause Contraction of the Circulating Currency or Distrust in Our Finances," by William Baur, of Cincinnati, Ohio.

"Gold Demonetized and Labor Remonetized. A Monetary Compromise," by G. Forest Smith, of Council Bluffs, Iowa.

"A Resolution Adopted at the Meeting of the Executive Committee of the Manufacturers' Association of the Northwest Held at Portland, Oregon, January 6, 1897."

CHARLES E. ADAMS, Boston, offered a resolution in favor of the formation of state organizations representing industrial and commercial interests where they do not exist, in order that when an emergency arises the business men of the country shall be enabled to assemble with promptness and economy.

WILLIAM BALLINGER, Keokuk, offered a resolution in favor of the retirement of the legal tender notes and Sherman notes, the withdrawal of the government from the banking business, the amendment of the national bank act so as to permit of the organization of national banks with a capital of not less than \$10,000, an enactment that all government bonds are payable in gold, and the restriction of the legal tender quality of the standard silver dollar to payments not exceeding fifty dollars.

JAMES F. TOY, Sioux City, offered a resolution in favor of the extension of all possible encouragement to Senator Wolcott in his mission on behalf of international bimetalism.

P. G. KELSEY, Evansville, offered a resolution in favor of the issue of fifty-year bonds bearing interest at the rate of two and a half per centum per annum in the place of the greenbacks, amendments of the national banking act, the repeal of the law authorizing the issue of silver certificates and the redemption in silver and cancellation of the outstanding certificates.

B. F. HAVENS, Terre Haute, offered a resolution in favor of the issue of national bank circulation to the par value of the bonds, and the reduction of the tax on national banks to one-quarter of one per cent.

F. G. WINSTON, Minneapolis, presented a paper in which he suggested that, in case it were decided that the paper obligations of the government should be retired and bonds issued in their place, provision should be made that for five years the bonds should be apportioned to the different states according to their population, and that at the end of each year, any state not having taken its apportionment of bonds should surrender its right thereto in favor of those states who desire more than their apportionment. His thought was that thus the people of the south and west would be offered an opportunity for the organization of banks, and for such equipment as would, in the future, enable them to supply their demands for money.

E. C. CAMP, Knoxville, spoke in favor of a tariff law which would raise a revenue of at least \$650,000,000 annually.

"Of that \$650,000,000 you need nearly \$450,000,000 to meet your current expenses, with some little deficits that have happened the last two or three years included. In the next place, take \$100,000,000 and reduce your bonded indebtedness that amount yearly."

The other \$100,000,000 he would apply to the retirement of the government paper money. Mr. Camp also advocated that banks be permitted to issue notes to the par value of the bonds deposited, and that the provision for the tax of \$2,000,000 now annually assessed against them be repealed.

HENRY E. COBB, Boston, requested that the address of Temporary Chairman Stanard be sent to the Committee on Resolutions as expressive of the sentiments of the Boston delegation.

C. N. CHADWICK, Brooklyn, having been called for, reviewed the history of legal tenders in this country from the time when, in 1690, Massachusetts emitted bills of credit in payment for the services of her soldiers.

CHARLES N. FOWLER, Elizabeth, member of the House Committee on Banking and Currency, having been invited to address the convention, spoke in part as follows:

#### MR. FOWLER'S ADDRESS.

"It is left with the United States alone among the first class nations of the earth to cling to the exploded and barbaric principle of state issues of notes. Indeed, every second-rate nation even has discarded it or is attempting to. Mark this, the only countries that still practice it are Austria-Hungary, Russia, Italy, Canada, Japan and India. Canada has only 16,206,770 of dominion notes, which are covered with 3,532,327 of gold and 16,196,667 of securities and 86,966 of silver, or a total of 19,815,960, so that our condition can not be compared with that of Canada. Austria-Hungary has just completed arrangements for the retirement of its outstanding notes, now amounting to only 56,000,000, and we are left alone in the grotesque company of India, Italy, Japan and Russia.

"If the United States government is to continue the paying functions of a bank it must, without delay, open its doors for deposits and discount the paper of our merchants, thereby acquiring the power of protecting its reserves and establishing such rates of interest as will prevent the export of gold whenever such a movement is undesirable. [Applause.]

"There are three ways of escaping national bankruptcy at some time if the present plan is to continue:

"First. We could assume full functions of banking, a step which is altogether out of the question.

"Second. We can tax the people whenever the emergency arises, which must prove, as it always has, a most expensive and burdensome policy and one to which the people will not long submit.

"Third. The retirement of the demand obligations of the government, a policy that is clearly demanded by our own experience and approved by that of all the rest of the world. This is the only practical solution and it is our only remedy. How shall

this be brought about? Will the free coinage of silver facilitate it? I presume that no one will pretend that free coinage will reduce the amount of our demand obligations on the one hand or increase our gold reserve on the other. Certainly since one-half of every silver dollar is the mere fiat of the government and must be maintained upon a parity with gold, free coinage will only prove an aggravation and an additional burden for the government to carry.

"Since in the retirement of the government's demand obligations is our only safety, some plan must be evolved whereby all redemption is thrown upon the banks where it belongs. Such a plan must be so adjusted and of necessity so comprehend the replacement of the present circulation as not to result in contraction, nor bring the slightest shock to trade or commerce, an achievement that can be attained and at the same time a saving made in the interest account of the government amounting to nearly \$15,000,000.

"Among a very large and intelligent portion of the American people an impression prevails that if our revenues exceeded our expenditures there would be little to complain of and little to fear. That the lack of revenue had some influence in increasing the severity of our trials there can be no possible doubt. Nor does it matter how the shortage came about; whether the poverty of our people prevented them from buying more largely of imports; whether it was the *ad valorem* character of the Wilson bill; whether the McKinley bill would have failed to produce sufficient revenue is a matter of no consequence whatever in this connection. We have only to consider the fact that the government has been going behind at the average rate of about fifty millions per year. Even admitting this to be true, ought this great government to break down under so slight a strain and the whole nation continue in a semi-state of panic for three years?

"Certainly no one will deny that the draft upon our gold reserves began long before there was a deficit in our revenues and that constantly during the whole time we had plenty of money, such as it was, to pay current expenses, but not such as the circumstances and credit of the nation demanded. This being true, it must be self-evident to every frank man that there was a deeper, greater and more far reaching cause, indeed a fundamental weakness.

"Certainly no one will deny that had there been no endless chain to draw the gold from the treasury, there would have been no difficulty in providing for a deficit of \$150,000,000, or ten times that, and neither amount would have affected the credit of this nation. As it was, however, we have been hanging for months in the balance of bankruptcy and over the precipice of dishonor.

"That the income of the government should at all times

meet its expenditures, and not a day should be lost in preparing a measure that will secure that much desired end, all will agree. But should the long-hoped for schedule fail to do this, would it not be inexcusable for any man to have been so blindly partisan as to allow the government to remain in a position where so slight a miscarriage of judgment would precipitate its financial ruin? The lack of revenue has in no way been one of the primary or fundamental causes of this great crisis, but clearly a secondary and collateral one; for the income of the government may far exceed its expenditures and yet the government be compelled to dispose of bonds to procure the necessary gold with which to redeem its demand obligations [applause]; for the revenues of the government are not payable in gold and therefore would not supply the kind of money that our demand obligations called for. Indeed, in the near future we may witness this very event unless a broader statesmanship comprehending the situation shall anticipate the financial needs of the country. [Applause.] \* \* \*

"This convention has been called for the purpose of discovering, if possible, the causes and of pointing out the remedies. For unwarranted speculation there can be no remedy except in the greater wisdom and conservatism of the people. For the absolute imbecility of this government's financial position there are two distinct remedies, both necessary and both founded in truth and established by all experience, and they should be tersely stated by this convention or it fails utterly in its purpose.

"First. All experience has shown that there can be but one standard of value; therefore, this convention should declare that the gold standard, which is the standard of the civilized world, must be permanently and irrevocably established. [Applause.]

"Second. All experience has shown that state or government issues of notes are the most expensive and dangerous forms of money; therefore the demand obligations of this government should be retired. [Applause.]

"For that other cause of our present trouble, the want of a currency that is founded upon our liquid wealth in every part of the country, especially in the newer sections of it where there is little or no wealth in the form of money, there is but one remedy, and that is a system of currency springing out of local wealth and responsive to the demands of trade and the emergencies of commerce. Therefore, this convention should declare that to equalize the rates of interest throughout the United States and enable our producers to move their crops and handle their manufactures at the least possible expense, to prevent money panics, secure justice and insure equal prosperity everywhere throughout the length and breadth of this land, the United States should have a system of elastic currency." [Applause.]

At the conclusion of Mr. Fowler's address,

JOSEPH WHARTON, Philadelphia, was recognized and spoke as follows:

#### MR. WHARTON'S REMARKS

"Mr. Chairman, in listening to the eloquent orator who has just favored us, I am reminded of a remark made to me by Thaddeus Stevens a number of years ago. He told me he had discovered what had long been puzzling the world, and that was the proper place to have a boil. He had found out that the right place to have a boil was to have it on some other man's back. Now in this business of having redeemable money, and having some place where men can get gold for their paper currency, they have discovered that we have a system at present that has thrown that burden upon the United States government, because there is no other place so convenient where paper money can be turned into gold. It has been found that that has its inconveniences and people are inclined to find some other way to get that gold out of paper, or paper into gold, and they are very much like the man who wants to have the boil put upon another man's back. We can not do it. There must be inevitably some way in which gold can be had, or else the country goes bankrupt. Now, suppose that the government was not under obligation to give out gold for notes, and the banks were under that obligation. Then when gold is to be obtained for export the people go to the banks, and they frequently break banks in times of panic. Banks will not hold, they can not be expected to hold, a million dollars of gold in such form as to be readily given out when the demand comes. If they are the only people responsible for it, if they are the only people to whom recourse can be had for gold, and that demand comes, they have to retract their circulation and draw in their loans, and that breaks their customers, and the whole country goes bursted. Now, is that a good thing? Is that a good thing to look forward to? The banks have not power, they can not be given power to command large masses of credit from other parts of the world. The government of the United States can do that. It has done it. We have seen that very notably done within a few months. I can not conceive that there is any power, and I do not think any gentleman can point out any way in which great masses of gold can be procured from the country at large without causing distress that we can hardly bear to think of. As I have already said, gold was procured very largely from abroad. A great many people in this country had gold that they were perfectly willing to loan to their government. They would not have loaned it to a private person or to a bank, but the government could command that gold both at home and abroad. It did command the gold. When the demand for gold was made, the country passed out from an extremely threatening crisis almost unhurt. It is very easy to give anything a bad name. \* \* \*

"I want to say a word in regard to the disappearance of gold. It has been supposed that the ordinary demands of trade and commerce show that the amount of gold in the world is far inferior to what is needful for carrying on the commercial operations of the country, that that is why gold is being taken out in such large quantities. I was inclined to believe it myself. But when you come to consider that during the last ten years the great governments of Europe have taken in and hoarded and put away where it is as completely out of reach as in the mines, about a thousand millions of dollars of gold, which they hold as war hoards, and do not put into commerce, do not base operations of commerce upon, have actually taken away, virtually sunk, that vast mass of gold, there is reason enough for scarcity. But it is not permanent. Gold is being taken out of the mines now in far greater quantities than ever before. I have no doubt that even without the catastrophe of a general war in Europe, which of itself would immediately release the vast hoards of gold there, the mere mining of gold and bringing it out in the natural way will give us gold enough to carry on our banking and all the great operations of the world." [Applause.]

M. B. VAN SLYKE, Madison, moved that Mr. Fowler's address be referred to the Committee on Resolutions. The motion was carried, and then by a rising vote the convention expressed its thanks to Mr. Fowler.

## SECOND DAY—AFTERNOON SESSION

The convention, upon assembling at three o'clock took a recess until four o'clock for the purpose of accepting an invitation from the Senate of Indiana to visit it in session.

After the recess, H. H. Hanna, Indianapolis, Chairman, submitted the

### REPORT OF THE COMMITTEE ON RESOLUTIONS

Gentlemen of the Monetary Convention:

"Your committee make the following report: This convention declares that it has become absolutely necessary that a consistent, straight-forward and deliberately planned monetary system shall be inaugurated, the fundamental basis of which should be: First, that the present gold standard should be maintained. [Long and continued applause.] Second, that steps should be taken to insure the ultimate retirement of all classes of United States notes by a gradual and steady process, and so as to avoid injurious contraction of the currency, or disturbance of the business interests of the country, and that until such retirements provision should be made for a separation of the revenue and note issue departments of the treasury. [Applause and cries of "Good."] Third, that a banking system be provided which

should furnish credit facilities to every portion of the country and a safe and elastic circulation, and especially with a view of securing such a distribution of the loanable capital of the country as will tend to equalize the rates of interest in all parts thereof. [Applause.] For the purpose of effectively promoting the above objects:

"Resolved, That fifteen members of this convention be appointed by the chairman to act as an Executive Committee while this convention is not in session, with full powers of this convention. The Executive Committee shall have the power to increase its membership to any number not exceeding forty-five, and five members thereof shall at all times constitute a quorum of said committee.

"The Executive Committee shall have special charge of the solicitation, receipt and disbursement of contributions voluntarily made for all purposes; shall have power to call this convention together again when and where it may seem best to said committee to do so, and said committee shall continue in office with power to fill vacancies until discharged at a future meeting of this convention. [Applause.]

"Resolved, That it shall be the duty of this Executive Committee to endeavor to procure at the special session of congress, which it is understood will be called in March next, legislation calling for the appointment of a monetary commission by the president to consider the entire question, and to report to congress at the earliest day possible. [Applause.]

"Or, failing to secure the above legislation, they are hereby authorized and empowered to select a commission of eleven members, according to the rules and plans set forth in the suggestions submitted to the convention by Mr. Hanna, of Indianapolis, as follows:

"Article 1. The commission shall consist of eleven members to be named by the Executive Committee appointed by this convention. The Executive Committee shall have power to fill vacancies in the commission as they may occur.

"Article 2. The first meeting of the commission shall be held at a time and place to be designated by the Executive Committee of this convention in a call to be issued therefor, and at such meeting the commission shall organize by the election of such officers and the adoption of such rules and by-laws for its own government as may be agreed by a majority of its members, and thereafter it shall be governed by such rules and by-laws subject to these articles.

"Article 3. All rules and by-laws of the commission, and all its proceedings, shall be directed towards the accomplishment of the objects of its creation, which is to make a thorough investigation of the monetary affairs and needs of this country, in all relations and aspects, and to make appropriate suggestions as to any evils found to exist and the remedies therefor, and no limit

is placed upon the scope of such inquiry, or the manner of conducting the same, excepting only that the expenses thereof shall not exceed the sums set apart for such purpose by the Executive Committee.

"Article 4. The Executive Committee of this convention shall use so much of the voluntary contributions made to it as may be available for that purpose, to defray all necessary expenses of the commission, and shall notify the commission from time to time of the amount so available in order that it may regulate its expenditures accordingly, and no liability shall attach to said committee or to this convention beyond the amount so notified.

"Article 5. When the labors of this commission have been completed as far as practicable the Executive Committee, if it deem it advisable, shall issue a call to bring this convention together again at a time and place designated in such call, and at the meeting so convened the commission shall make report of its doings and suggestions in such manner and form as it shall deem best adapted to present the same to this convention and its members for action, and if legislation is deemed advisable, shall accompany such report with a draft of such bill or bills providing for such legislation.

"Resolved, That all resolutions and communications as to methods of currency reform which have been presented to this convention be referred to such commission when formed."

H. H. Hanna, Indianapolis, moved the adoption of the report, and William E. Dodge, New York, seconded the motion.

Joseph H. Walker, Worcester, speaking to the motion, deprecated the provision for a commission, expressing the belief that a committee to co-operate with the committees of congress would have been better.

F. T. Roors, Connorsville, expressed dissent from what he understood to be some of the statements of Mr. Walker and offered a resolution that the chairman of the convention appoint a commission of twelve to investigate and make recommendations as to our monetary legislation, that a memorial be presented to congress asking the appointment by it of a monetary commission of five with which the convention's commission might confer, and that the convention's commission report to the convention not later than September 1, 1897.

CHARLES N. FOWLER, Elizabeth, moved that the following resolution be adopted as an amendment to the report of the Committee on Resolutions:

"Resolved, That a permanent executive committee of this body shall be constituted by the selection of one member from each of the states represented, and that said committee shall confer and co-operate with the Banking and Currency Committee of the House and the Finance Committee of the Senate to secure the immediate passage of a bill carrying out the policy adopted."

Mr. Fowler's amendment having been seconded,  
JOHN C. BULLITT, Philadelphia, speaking to it, said in part:

#### MR. BULLITT'S REMARKS

"This is the first movement I have ever seen within my history in which the men of business, without reference to party affiliation, have come together upon a matter of such moment and of such importance and with such a determination to assert their rights and to call upon their representatives in congress to perform their duty to the business men of this country. [Applause.] You have a right to call upon them. You have a right to say to them that they must do that which is to conduce to the true interests of the country and which is to preserve to you and the other citizens of the United States the property they own and the rights that they enjoy. [Applause.] You have that right, and so far from believing that this movement is either to fail in the future or that it is to be struck down, let us move forward confident that we are right, determined to assert our rights and determined to hold them responsible if they do not perform their duty. [Great applause.]

"Now let me say to you something about the report which has been made by the members of the conference to whom it was deputed, the Committee on Resolutions, and having been one of them, I can say this much with reference to their action. We met together, some twenty-five or thirty of us. We differed in our views. We conferred together, we consulted, we discussed, we differed; we finally adopted that which to us seemed to be the most judicious and the most expedient method of carrying out the purpose. And because of this conference we all know, gentlemen, that the subject which you are dealing with, so far as remedy by congressional legislation is concerned, is almost the most complex and difficult problem that has ever been presented. [Applause.] You have nine different kinds of circulating medium. They are of different values. Some are legal tender and some are not. Some can be used for reserve by banks and some can not. Some can be used in one way and some in another. And recollect another thing: That whenever you begin to legislate upon the subject of your currency you are treading upon dangerous ground, for you must take care to avoid contraction upon the one hand and redundancy upon the other. You need, therefore, to have the wisest, the most careful, the most thoughtful men that can be found in this country to take up these questions, to call before them the ablest, the most experienced and the most learned men in the whole country to express their views; and only after weeks and months of study upon this subject, after they have fully saturated themselves with it and informed themselves as to all its bearings and

all its relations, then, and then only, can they present a scheme which is worthy to be adopted by the congress of the United States for the purpose of the reformation of the evils under which you are suffering.

"Therefore it is that we report, as was embraced in the resolutions of Mr. Hanna, that in case congress does not appoint a commission, then a commission of that class of men should be selected who should proceed to do this work and should present a scheme for the people throughout the land, from one end to the other, to see and behold and express their opinion, in order that congress might have before them an intelligent and comprehensive scheme upon which they could act and which would conduce to the end which we all believe to be so desirable. [Applause.] I trust sincerely, gentlemen, that you will adopt the resolutions as they have been reported [applause], and I trust still more sincerely that you will vote down the amendment proposed by Mr. Fowler, of New Jersey, to appoint one man from every state in the Union as a member of the Executive Committee." [Applause.]

E. C. CAMP, Knoxville, spoke in support of Mr. Fowler's amendment, taking the ground that it would be easier for the delegates to select worthy members of the Executive Committee than for the chairman to do so.

Mr. WALKER explained that he had intended that his remarks should go only to the point that the resolutions of the Committee on Resolutions, if adopted, would delay action until, in all probability, a hostile congress had been elected. He was anxious that a committee, selected by the delegates, should go immediately into conference with the Finance Committee of the Senate and the House Committee on Banking and Currency.

M. E. INGALLS, Cincinnati, spoke in favor of the report of the committee, explaining that it was a compromise arrived at, wisely he believed, after prolonged and earnest consideration. He said in part:

"I came here opposed to any commission. I thought it was better to do the work through a committee. Our friends in Indianapolis came here with what was known as the Indianapolis idea, which was the appointment of a commission by this convention. Our friends from Chicago came here with their views, which were that a commission should be created by congress, the appointments to be made by the president. I think the Ohio gentlemen, who were wise men, and all unanimous, decided after consideration that if they could get a declaration of principles here in favor of honest, good currency they would be in favor of the Chicago commission, to be appointed by the president of the United States; but after a long wrangle we made a compromise with the Indianapolis gentlemen by which it was agreed that the committee to be created, that should go to Washington at the extra session which it is supposed will be called,

should be appointed by the chairman of this meeting; and that they should ask congress to pass a law creating a commission which should be appointed by the president and should report upon the monetary condition of this country, its evils and its remedies. If, however, they failed in that, we thought there was no objection; on the other hand, it would be a great gain, to have this Executive Committee appoint an outside commission, and we could at least say to the world and to congress what we believe in.

"Now, my friends, that is the result of the labor of twelve or fifteen hours, on the part of the gentlemen on this committee, and I hope this meeting will each and every one vote aye for these resolutions exactly as they came from the hands of the committee, and send out a platform to the world that is good and will be creditable to this convention so long as the memory of man shall last." [Applause.]

W. E. DODGE, New York, also supported the report of the committee. In response to an inquiry from J. W. Warrington, Cincinnati, as to why the committee recommended a commission, he said:

"We commenced in 1861 to drift into dangerous financial conditions. We have gone on year after year, as has been stated here so fully, and so strongly, by the gentlemen who have spoken to you, with make-shifts, with all sorts of appliances, with laws and enactments, conflicting with each other, overlapping each other, and we have never stopped to take stock. We have never made an inventory or balanced our books fully or entirely to discover the relations and co-relations of all these different things. We felt that the time had come when a thoughtful, careful, exhaustive, scientific, impartial, non-sectional examination should be made of all these various affairs that go to make up our financial system, and that that can only be done by time and by accountants and experts, and those who have full knowledge of such affairs and are able to give us exactly the condition of affairs and how our books stand. We understand the value of any action that is wisely taken in any fair direction in congress; but as I understand it, and as I believe, gentlemen, and I think the experience of all of us will carry it out, any conclusion that might be jumped at or pushed by any Executive Committee, which we might form for some quick action, would be liable to the very same danger that we have had so constantly and steadily in the past. We believed, as business men, and I think it was the consensus of our committee, that we can afford to take a little time to do the thing right, and that the commission appointed would have the full confidence and the great weight and help and respect of congressmen, for there never has been a thought of interfering with the prerogatives or the work of members of congress in whatever they might do to help our finances, but that we as business men

should do for our country in this great hour of trial and need just what we are doing at this beginning of the year in our own business, and that is to sit down quietly and balance our books and find out for ourselves where our business stands, and that must take time and must for once be done thoroughly." [Great applause, and cries of "Good, good."]

CHARLES N. FOWLER, Elizabeth, said that in view of the fact that the general sentiment of the convention seemed to be in favor of the report of the committee, he withdrew his proposed amendment.

The previous question having been ordered, a vote was taken on the report of the Committee on Resolutions, resulting in its adoption. The negative votes were seemingly three or four.

CHARLES N. FOWLER, Elizabeth, New Jersey, said:

"Mr. President: I want to say that I do not believe anybody in the United States will be more patient and more ready to raise his voice for every suggestion that will grow out of the convention, or the committee that is to be appointed here, than Mr. Walker and myself."

On motion, by MONTGOMERY G. CURTIS, Troy, a report of the proceedings of the convention was ordered to be printed by the Executive Committee.

On motion, by JOHN HARSEN RHOADES, New York, amended by JOHN P. IRISH, Oakland, the temporary and permanent chairman were thanked for their services to the convention.

S. W. WOODWARD, Washington, offered the rooms and the courtesies of the Board of Trade of Washington to the Executive Committee while in that city.

The convention then adjourned to meet at the call of the Executive Committee.



**END OF  
TITLE**